DOCUMENT RESUME

ED 460 276	CE 082 589
AUTHOR	Leach, Fiona; Abdulla, Salwa; Appleton, Helen; el-Bushra, Judy; Cardenas, Nora; Kebede, Kibre; Lewis, Viv; Sitaram, Shashikala
TITLE	The Impact of Training on Women's Micro-Enterprise Development. Knowledge & Research. Education Papers.
INSTITUTION	Department for International Development, London (England).
REPORT NO	Ser-No-40
ISBN	ISBN-1-86192-284-1
PUB DATE	2000-02-00
NOTE	145p.
AVAILABLE FROM	Department for International Development, Education Department, 94 Victoria Street, London, England SW1E 5JL, United Kingdom.
PUB TYPE	Reports - Research (143)
EDRS PRICE	MF01/PC06 Plus Postage.
DESCRIPTORS	Adult Education; *Business Skills; Case Studies; Developing Nations; *Entrepreneurship; *Females; Foreign Countries; Income; Job Skills; *Outcomes of Education; Poverty; Quality of Life; Self Esteem; *Small Businesses; Social Status; Status; Training Methods; *Womens Education
IDENTIFIERS	Ethiopia; India; *Microenterprises; Peru; Sudan

ABSTRACT

A study investigated the impact of training on women's micro-enterprise development in four programs in Ethiopia, India, Peru, and Sudan. Research design was a series of case studies of projects and programs providing training in technical or business skills. Impact of training was measured against these four indicators: income, access to and control of resources, status, and quality of life. The study examined the training process to find out in what specific ways training helped women to improve and expand their micro-enterprises. The sample in each country consisted of two groups: women about to undergo training (focus of the study) and women who had already received training; 74 women participated. The study showed poor women needed training to develop skills and self-confidence to allow them to operate and survive in the informal sector; access to credit is important but not sufficient for the poorest women; the impact of training and increased income varied in strength but could be negative as well as positive; well-designed and well-delivered training could lead to increased income that could lead to improved self-esteem and status in the household and community; effectively delivered training developed enhanced survival strategies in women; training provided to groups in a participatory model was an empowering and liberating experience for women; and training in generic business skills was more effective than training in technical skills. (Appendixes include 61 references.) (YLB)

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THE IMPACT OF TRAINING ON WOMEN'S MICRO-ENTERPRISE DEVELOPMENT

Fiona Leach, Salwa Abdulla, Helen Appleton, Judy el-Bushra, Nora Cardenas, Kibre Kebede, Viv Lewis and Shashikala Sitaram

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EDUCATION RESEARCH

THE IMPACT OF TRAINING ON WOMEN'S MICRO-ENTERPRISE DEVELOPMENT

**Fiona Leach, Salwa Abdulla, Helen Appleton, Judy el-Bushra,
Nora Cardenas, Kibre Kebede, Viv Lewis and Shashikala Sitaram**

February 2000

Serial No. 40
ISBN: 1 86192 284 1

Department For International Development

DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

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ACKNOWLEDGEMENTS

Many people were instrumental in setting up this study and assisting in its completion. Their valuable contribution is acknowledged. Our appreciation and thanks in particular to Maureen Mekki, Angela Hadjipateras and John Padstow (ACORD UK), Rogaya Hamza (ACORD, Sudan), Kassech Abagaz (ACORD, Ethiopia), Carlos Frias and Aurora Armas Varillas (IT Peru), Frances Sinha (EDA, India), Father Anthonappa (CPS, India) and Vishaka Hidellage (IT Sri Lanka).

We owe the inclusion of the Indian case study to Prabha Shekar, silk consultant, who sadly died during the research period.

Finally, we could not have completed the study without the generous and patient cooperation of all the women who agreed to participate. We hope that this study will serve to increase understanding of the most effective forms of support for the many millions of women who struggle daily to provide for themselves and their families.

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ACRONYMS

CBO	Community-Based Organisation
CPS	Chamarajanagara Parish Society
EDA	Economic Development Associates
DFID	Department for International Development
DWACRA	Development of Women and Children in Rural Areas
ICT	Information and Communication Technology
ILO	International Labour Office
IT	Intermediate Technology
ITC	Intermediate Technology Consultants Ltd
LAC	Loan Advisory Committee
NGO	Non-Governmental Organisation
SEM	Socio Economic Matrix
SIBDI	Small Industries Development Bank of India
SME	Small and Medium Enterprise
TVET	Technical and Vocational Education and Training
UNIFEM	United Nations Development Fund for Women

COPESCA is a Spanish NGO

FONDEMI, FOVIDA, INPET and SENATI are Peruvian private or semi-private organisations

Summary

The Impact of Training on Women's Micro-Enterprise Development

This report presents the main findings and recommendations of an investigation into the impact of training on women's micro-enterprise development conducted during 1997-8 and funded by DFID (Education Division and ESCOR). The research was carried out into four programmes (in Ethiopia, India, Peru and Sudan) supported by two UK based NGOs, namely ACORD and Intermediate Technology. The study examined the contribution that training makes to the development of women's micro-enterprises, in particular in relation to credit. The impact of training was measured against four indicators: income, access and control of resources, status, and quality of life. The study also examined the training process to find out in what specific ways training had helped women to improve and expand their micro-enterprises. Both formal (organised groups of trainees taught by a trainer) and informal training (one-to-one training or advice, often 'on the job') were covered by the study.

The context for this study was one of declining importance attached by development agencies to training for poor women, with some programmes abandoning training in favour of micro-finance, which became the dominant poverty alleviation strategy from the late 1980s onwards. The aim of the study was to show that training can have (and has had) a positive impact on both women's incomes and their status, especially when combined with micro-credit.

The study clearly shows that poor women need training to develop skills and self-confidence to allow them to operate and to survive in the informal sector. Access to credit is important but not sufficient for the poorest women. The projects studied revealed many examples of women who would have been unable to develop their businesses and increase their incomes without training, especially in basic business skills. However, the impact of training and of increased income on other aspects of their businesses and lives, namely access and control of resources, status, and quality of life, was not clear cut. Not only did the impact vary in strength but it could be negative as well as positive. The link between training and women's economic and social empowerment is therefore complex.

The study found that where the training was well designed and delivered it could lead to increased income, which in turn could lead to improved self-esteem and in some cases improved status in the household and the community. This was especially the case where the training had provided a gender analysis and confidence-building component. A particular benefit of the training where it was effectively delivered was that it developed enhanced survival strategies in women, so that they could cope better in times of crisis.

There was little evidence that formal training, even when delivered in a conventional classroom setting, was inappropriate for poor, often illiterate women. On the contrary, training provided to groups in a participatory mode was an empowering and liberating experience for women on both the Indian and Ethiopian projects, as it allowed for the sharing of ideas, information and experiences. This in turn helped develop both self-confidence and

entrepreneurship. Informal training in the form of one-to-one business or technical advice was also effective when it addressed the woman's specific needs in the context of her business. Evidence of this was found on the Sudan programme (in business skills) and on the Peru project (in technical advice).

On balance, training in generic business skills appeared to be more effective than training in technical skills, which are more context-specific and not easily adapted to new circumstances (as was found on the Peru project). Moreover business skills for women, especially when these include skills to assist them to operate effectively in male-dominated markets, help develop a more positive attitude towards productive work and allow women to see what they were doing as a potential business.

In terms of policy recommendations for development agencies, the study suggests the need for greater recognition of the role of training in improving the economic and social status of poor women, improved quality in the design and delivery of training programmes, and more research and evaluation into what constitutes 'good practice' for dissemination to training providers and funders. It also suggests that the provision of 'follow-up' advice is an effective strategy to support women in the early stages of developing their micro-enterprises. Training for women also needs to be incorporated into the mainstream discourse of technical and vocational education and training, which is currently dominated by traditional male skill areas.

Chapter 1: Introduction

1.1 Rationale and context

This report presents the main findings and recommendations of an investigation into the impact of training on women's micro-enterprise development conducted during 1997-8. The research was carried out into four programmes supported by two UK based NGOs, namely ACORD and Intermediate Technology.

It is important to present these findings within the context of the dominant thinking in the development community on women's income generating and micro-enterprise development at the time the research was conceived (1996). The early 1990s had witnessed an unprecedented level of interest in the provision of micro-finance as a mechanism of poverty alleviation (see Johnson and Rogaly 1997 for a comprehensive overview). This has been particularly true of efforts to support poor women. The most popular form of micro-finance support has been credit and savings schemes, especially those in which members of a group contribute regular savings and draw on the capital as short term loans 'in rotation'. This interest has led to significant levels of funding of such schemes by the major donor agencies and development banks, with the World Bank committing 200 million dollars to micro-finance programmes for the poorest, particularly women, in the mid-1990s (Wolfensohn 1995). A World Summit on Micro-Credit in Washington in February 1997 is also indicative of the commitment to poverty alleviation strategies through micro-finance.

The interest in micro-finance specifically for women superseded the prevailing wisdom which held until the mid 1980s that credit should be given to men as the main breadwinners of the family and as heads of household. Women's economic activities, where they existed, were seen as merely supplementing family income and consisting of casual and irregular income generating activities usually undertaken in conjunction with their child-rearing roles.

However, by the mid 1980s this view was changing, in particular influenced by the attention given to women's issues by the International Women's Conference in Nairobi in 1985. The development community began to realise that women's participation in economic production had been greatly under-estimated and was largely ignored in national labour statistics and GDP. This was because women were mostly engaged in small scale activities in the informal sector which were difficult to capture statistically (and were not usually perceived as 'real' work). Moreover, the incidence of female-headed households (estimated at one-third world wide[1]) was increasing, as men migrated to look for work in urban areas and as divorce rates grew. Many of these women would be the sole provider in the household. The break up of the traditional nuclear family, combined with economic recession and the changing nature of employment, suggests that women's participation in the economy is set to increase further. Even in male-headed households the woman may now be the main source of income (there are numerous cases in this study), for example where only unskilled jobs in the service sector are available or where activities generate so little profit that men will not consider doing them.

At the same time, evidence was emerging as to the creditworthiness of women. Research suggested that women's record of repayment on loans was often better than that of men; also that women were more likely to use whatever income they earned on their family, leading to improved health and nutrition, whereas men might spend additional income on luxury consumption for themselves, e.g. cigarettes, alcohol or gambling. This evidence of higher repayment rates and greater contribution to household well-being was used by gender lobbies to argue for targeting women in micro-finance programmes (Mayoux 1999). With female-headed households known to be more vulnerable in times of crisis because they have fewer resources to draw on, micro-finance for women came to be seen as an important form of poverty alleviation. The 1990s has consequently witnessed an unprecedented growth of such programmes of support, in particular by NGOs in the form of minimalist credit schemes.

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[1] This figure is challenged by some, e.g. Varley (1996) claims that UN statistics suggest that one in five households globally and one in six in developing countries are headed by a woman.

This increasing recognition of women's role in the economy was paralleled in the global economic arena by a neo-liberal ideology which argued that governments should leave markets to regulate themselves and that non-profitable activities and enterprises should not be subsidised. This same ideology insisted that what the poor, including poor women, needed was credit so that they could compete in the marketplace with enterprises of their own. The distaste for subsidies and other forms of support to non-profitable organisations meant that the sustainability of programmes became an important issue for development agencies, especially when the economic recession of the late 1980s and subsequent budget reductions forced them to look for increased efficiency in the delivery of aid. Donors sought to cut all but the most effective types of intervention and programmes were expected to include cost-recovery mechanisms (such as realistic fees and interest rates). Minimalist credit schemes were attractive in this respect, not only because they encouraged private entrepreneurship and self-reliance, but also because their impact could be easily assessed in terms of income growth and business turnover. They also had, by donor project standards, relatively low funding requirements.

As a consequence, other inputs traditionally provided on development projects, such as training, equipment and information and extension services, became subordinate to the provision of credit, which was seen as the main need of the poor. Moreover, they are costly to provide. In the case of training, its role in enhancing incomes is not well understood, in comparison to credit, partly because the benefits of training are usually long term and difficult to measure.

The macro-context of this study was therefore one of growing activity in micro-finance for women and declining interest in training.[2] This trend is exemplified by the Port Sudan Small Scale Enterprise Programme which features in this study. This moved in 1993-4 from being a multi-faceted community programme, with a strong emphasis on training alongside micro-credit to a single-input credit organisation. This trend away from the provision of training as part of a portfolio of support for poor women is disturbing because so little is known about its impact on women's income generation and micro-enterprise development. The purpose of this study was therefore to examine the effectiveness of training in a number of contexts where it was still provided. This would increase our understanding not only of the role it plays in enhancing women's incomes and well-being but also of the ways in which it might also maximise the impact of micro-credit. Moreover, training provision is often poorly recorded in project documentation and it is even possible that benefits accruing to individuals have been attributed to credit alone, when a training input, albeit of an informal and irregular nature such as occasional business advice, has also been provided. This study would provide an opportunity to identify and isolate training inputs and effects.

This notwithstanding, the study also sought to question the common belief that training, like education, is 'a good thing' and that in some direct and predictable way it contributes to individual and collective socio-economic development. Others have questioned the assumed link between formal education and national development, and have pointed to the poor quality of schooling, the excessively academic curricula relevant only to better off urban populations, the high levels of wastage through dropout and repetition, and the increasing numbers of 'educated unemployed' in the poorest countries as evidence that the relationship is not straightforward. We in turn would wish to question the assumption that all forms of training are beneficial. We would in particular seek to find out what kind of training was appropriate for poor, often illiterate, women.

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[2] There has been something of a resurgence of interest in training among donors involved in support for small and medium enterprises (SMEs). For example, the Donor Committee on Small Enterprise Development set up a working group in 1995 to look at non-financial services, including training, for SMEs (see chapter 2). However, like much of the work in SME development, it does not address the training needs of the poorest and seeks primarily to support training interventions within the marketplace itself, e.g. through vouchers, consultancy services and trade associations rather than through NGOs.

It is not surprising that the role of training in enhancing women's incomes is not well articulated in comparison to credit, for the latter has attracted more research, albeit small-scale and often based on project evaluations. The difficulty of measuring training impact, mentioned above, makes it an unattractive area of research. As a result, there is little empirical work of a scale and depth significant enough to inform policy and/or practice in this field with regard to women's micro-enterprise development (see **chapter 2**). At the same time, much of the research that does exist has focused on vocational training and on training for self-employment. These are traditionally seen as male preserves and hence target an anticipated level of economic activity and formal business structure which is considerably larger and more stable than the kinds of informal sector/self-employment activities engaged in by women. The Peru study featured here, which included a sample of men, showed this clearly.

However, the rapid growth in micro-finance activity did lead by the mid 1990s to the emergence of a growing disquiet over the excessive faith placed in it as a mechanism of poverty alleviation (Hulme and Moseley 1996, Buckley 1997), and for women, as a means of empowerment (Mayoux 1999). Linda Mayoux in particular provides a strong critique of the naïve belief that micro-finance creates of itself a 'virtuous spiral' of economic, social and political empowerment for women without it being considered necessary to develop explicit strategies to address other dimensions of poverty or gender subordination. The view that mere participation in such a scheme is considered sufficient for women's empowerment is highly simplistic.[3] She cites extensive evidence from a range of studies which shows that for some women micro-finance may be empowering but for many others it is marginal both in economic and socio-political terms (Mayoux 1999). She draws attention to work by Kabeer (1998) and Goetz and Gupta (1996) in Bangladesh which provides evidence that micro-credit can be disempowering and increase tensions within the family. This is supported by other research in rural areas of Bangladesh where BRAC and the Grameen Bank operate credit schemes (Schuler et al 1999). This found that women's access to credit can increase domestic violence, although in some cases it reduces it.

The growing awareness that the relationship between micro-credit and increased income, women's empowerment and household well-being is highly complex may turn the development community's attention back to programmes of multiple inputs, of which training is of course one (other inputs may be the provision of equipment, commercial premises or workshops, and marketing assistance). This is therefore a timely moment for this study, as it seeks to examine training as one input in interaction with micro-finance.

1.2 Assumptions

This study was based on three assumptions which we expected the research to confirm. These were that:

1. Training can be an important component of poverty alleviation for women. Women find themselves competing in a heavily gendered labour market which disadvantages them vis-à-vis men, who usually have more education, skills, work experience and capital to draw on. Women are perceived largely as unskilled and semi-skilled casual labour. Given that their socio-economic

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[3] This reductionist tendency is the same as the one referred to above with regard to education and training, as having automatic benefits.

circumstances force most poor women to seek an income in the informal sector, we sought to measure the impact that training might have on their activities in this sector.

2. The potential impact of training on poor women goes beyond increased income. We anticipated that it has the power to change gender relations within the household and the community, either directly as a consequence of the training itself, or indirectly through the increased income brought about by the training. We therefore sought to monitor and record these changes on a number of levels.

3. Training is only effective if it is responsive to the complexities of the socio-economic environment in which women live and work, combining productive work with domestic and community duties in settings often constrained by household demands. Its potential effectiveness may be impeded by poor design and delivery (itself a consequence of the lack of research and evaluation). We would seek to find out what kind of training for micro-enterprise development was appropriate for poor, often illiterate, women.

We have chosen to use the term 'micro-enterprise' or 'small business',[4] in preference to 'income generation' in this study. We wish to distinguish between income generation as a casual activity which women move in and out of as time and needs dictate, and probably supplementing male household income, and micro-enterprise/small business as a more permanent form of economic activity, often the sole source of income in the household. One benefit of the training cited here was that many women shifted from viewing their activities as 'income generation' to viewing them as a 'business'.

1.3 Objectives of the study

The broad goal of the research was to contribute to the improvement of the income earning potential of poor women in the South by studying the impact of training on their economic and social status, and to inform policy and practice in this field. Given that development agencies were supporting initiatives to promote women's micro-enterprises as part of an agenda which combined strategies of poverty alleviation with women's empowerment, it was important to assess the impact of training in this field within the context of these twin goals. Hence, training which only led to an increase in a woman's income, without increasing her control over both economic and social aspects of her life, would not be considered as having met its objectives. We therefore identified four indicators by which to measure the effectiveness of the training provided, which were:

- income
- access and control of resources
- status
- quality of life (e.g. sufficient leisure time, time with children, harmonious household relations).

The indicator 'status' was broken down into three components:

- self-esteem
- status in the household

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[4] The terms 'enterprise' and 'business' are also used. However, it must be understood that they are used throughout this report to refer to very small scale initiatives, i.e. '***small*** businesses' or '***micro***-enterprises' (usually defined as those having fewer than five workers). References to 'business skills', 'business training' etc also need to be understood in this sense.

- status in the community.

For the training to be judged as having effectively assisted the women, we would expect improvements on all four indicators.

The research addressed three broad questions, as follows:

- **What is the impact of the training on women's economic and social status (in terms of the identified indicators)?**
- **What constitutes effective training for women's micro-enterprise development?**
- **How does the training interact with other inputs, in particular credit?**

The most important question is the first and most of the data gathered addressed this. There are two parts to this question, the first concerning the specific outcomes of the training as measured by each of the four indicators, and the second concerning the relationship between the four indicators. We included the latter because we wanted to separate out the impact of training from the impact of increased income on the other indicators. In the case of the third question, the only significant 'other input' provided by the projects selected for study was credit.

The main findings are presented within the framework of these three questions in **chapter 8.**

1.4 Research design

The research was designed as a series of case studies of projects and programmes providing training in technical and/or business skills. Technical skills covered what is usually understood by vocational or employment-related skills. Business skills usually consisted of basic bookkeeping (profit and loss accounts), carrying out market surveys, drawing up business plans, sales forecasting, pricing etc.

ACORD and Intermediate Technology, both experienced NGOs in the field of micro-enterprise development, selected the projects. Out of the six originally planned for the study, only four yielded full sets of data, while one (a Food Processing Training Programme supported by Intermediate Technology in Sri Lanka) yielded some data. This report covers the four full studies, these being Ethiopia, India, Peru and Sudan. Conclusions and recommendations from the research have therefore to be seen within the context of a more limited data source than originally envisaged.[5]

It was obvious from the outset that whatever impact training might have on women's economic and social status, it would manifest itself in complex and subtle ways. It was therefore necessary to research the **process** as well as the **outcomes** of the training. To this end, the research was designed to include an assessment of the training given to the women, both where it was delivered as a one-off short course and where it was delivered over time and informally 'on the job'. It was also apparent that the impact of the training on the women's micro-enterprises might not be immediate or it might vary over time. It was therefore necessary to engage in a longitudinal study, where the women's use of the skills acquired was monitored at regular intervals. Although the samples were too small and the field work period too short to allow for a full assessment of the impact to be made, this study provides an indication of the useful direction of future research.

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[5] A small additional case study, which was to be provided by an independent researcher in Sierra Leone, was also prevented from starting by the civil unrest that engulfed that country in 1997-8.

To allow us to examine both the process and the outcomes of the training, we selected for each case study a sample of 18-20 women. These consisted both of women who were about to undergo training, whether in technical or business skills (or both) at the time the field work started and of women who had been trained at some earlier time. Those about to be trained formed the focus of the study (Group 1), with the researcher visiting them at regular intervals after the training to assess the impact it had had on the development of their micro-enterprises. Those women who had been trained earlier (Group 2) were included because this allowed us a longer perspective from which to judge the impact of the training. They were interviewed only at the start and the end of the research period. Full details of the research design, the methods used and the instruments developed are provided in **Chapter 3.**

1.5 The case studies

The NGO projects/programmes which provided case studies can be divided according to the type of training offered (formal, informal or both) and the content of the training (business skills, technical skills or both). Formal training was defined in this study as being an organised activity, of fixed length, provided to a group of trainees on designated training premises and delivered by a trainer or facilitator. Informal training was defined as of no fixed length or regularity, given to individuals as and when required or requested, usually in their work premises, by a trainer or adviser.

Formal training was provided by ACORD's Dire Dawa Urban Development Programme in Ethiopia and the Small Scale Food Processing Training Programme supported by Intermediate Technology Peru. In both, training was attached to the provision of micro-credit for women.

In the Ethiopian programme, training consisted of three full days of intensive basic training in business skills. In the Peru programme, it consisted of three or four days of five hour sessions of technical training (in either fruit processing or bread making in the case of the sample women) with one session devoted to marketing and bookkeeping.

The Port Sudan Small Scale Enterprise Programme, run by ACORD, also provided a sample of women following a sewing and handicrafts course. This programme had ceased providing formal training courses in 1995; however, the training function was taken over by a number of ex-clients of ACORD, who ran courses as a business with some assistance from ACORD. Three women in the Group 1 sample, and all the women in Group 2, who had received training some years previously when the course was run by ACORD, were included in the study as having received formal (technical) training. In 1997 ACORD also started formal training for members of Loan Advisory Committees which included some basic business skills (see **chapter 7**).

Informal training was provided by the Port Sudan programme in the form of initial business advice to all loan applicants, whether individuals or groups, and some on-going advice to those currently in receipt of loans (other types of informal training provided by ACORD are not covered by the study). On the Peru programme, a limited amount of what was called 'technical assistance' or 'follow-up' was provided on request. However, this was not an integral part of the training course as in the Indian programme (see below) and was not made available to all participants.

Mixed formal and informal training was provided by the Women's Micro-Enterprise Promotion in Silk Reeling project in India, supported by Intermediate Technology UK through a local NGO. It targeted schedule caste women (the lowest and poorest caste in Indian society) in an ambitious initiative to turn them from poor labourers into independent reeling entrepreneurs. The training consisted of a 28 day programme of both formal and informal components, the latter comprising visits to different sites relating to the silk industry, support and advice from a male NGO worker who accompanied the women on their business, and follow-up meetings and visits from NGO staff. However, in the case of the Group 1 women, who were the focus of the study, the formal training component was reduced in length due to funding and other constraints, as is explained in **chapter 5**.

The table in **Appendix 1** provides an overview of the types of training provided on each project. All of the training courses with the exception of that on the Indian project and the formal training on the Sudanese project were open to men as well as women. The Peru data included a sample of five men in addition to the ten Group 1 women who were the focus of the study. The chart also shows whether the women had access to credit and/or savings schemes.

1.6 The women

A total of 78 women were covered by the study (excluding the nine women interviewed once on the Sri Lanka project). Of these 78 women, 40 were in Group 1 and 38 in Group 2. The data provided by all these women were relevant and contributed to the findings. However, for the purpose of assessing the impact of the training on the women's micro-enterprises alongside that of credit, it was only possible to use a smaller sample of 57 women (see **Appendix 5**). This was because not all 78 women met the full criteria, namely that they were engaged in micro-enterprise activity throughout the research period, had received relevant training and were in receipt of credit at the time. The details are provided in the relevant case study chapters. We recognise that it is dangerous to make generalisations out of such a small sample and suggest that the indicative findings presented here should be tested in further larger studies.

As to the nature of the women's economic activities, most of the women in the Ethiopia and Peru samples were working in small-scale retailing, e.g. selling small household items, snacks and processed food from their house, from the street or from a market stall. Some in the Ethiopia sample were running small bars or canteens. Many of these were illegal activities, undertaken without formal licences. In Sudan a number were doing tailoring, and in Peru a small sample were part of a family bakery business. Many of the women were either illiterate or had minimal literacy skills (although many could do complex oral calculations). Few had had more than primary schooling, with the exception of Peru, where eight of the Group 1 women and seven of the Group 2 women had had some secondary schooling. In the Indian sample, only one woman in each group was literate (she was given the task of keeping the group's accounts). For the majority of those who were illiterate, this was their first experience of organised education or training of any kind.

A number of women in the sample were heads of household, either divorced, widowed or separated: there were seven in the Ethiopian sample of 20 women, and one each in India, Sudan and Peru. All the women were extremely poor, with daily net incomes among the Group 1 women at the start of the study ranging from the equivalent of 20-40 pence per day in India, £1-£4 in Sudan and Ethiopia, to £2.50-£12 in Peru. Even where income increases were recorded as a result of the training, these were also modest and did not usually increase by more than 25-50% over the research period. The only notable exceptions were one woman in the Ethiopian Group 1 sample and two in the Peru sample (one in Group 1 and one in Group 2, both working in fruit processing), with two of the three trebling their incomes over a sustained period. However, the low increases for the majority are deceptive in that some of the women's initiatives showed considerable promise in the longer term and the field work coincided in the latter stages with depressed markets in Ethiopia (economic recession and inflation), Sudan (low seasonal demand) and Peru (the impact of *el Niño*).

The poorest women are not seen as a 'natural' target for interventions in micro-enterprise development, their potential to become successful businesswomen being severely constrained by a wide range of economic and social factors. However, within a donor agenda of poverty alleviation, small gains among the very poorest must be considered as achievements.

The main findings of the four completed case studies are discussed in **chapters 4-7.** Each chapter will follow the same format: background information on the project/programme, an evaluative account of the training provided to the women in the Group 1 sample, profile of the women included in the study, detailed findings from the Group 1 sample and brief details of the Group 2 findings.

Chapter 2: Review of the Literature

The literature that informed this research has a number of strands: training for small and medium enterprise (SME) development, training for the 'informal sector' and self-employment, and technical and vocational education and training (TVET). These strands are themselves situated within the broader literature of non-formal education and training. Much has been written in this latter field since the 1960s, when concerns first arose in developing countries over the rising numbers of unemployed youth, high rate of school dropouts and shortage of skilled labour to fuel national economic development. However, whichever strand one focuses on, literature which deals with training specifically for women is very limited. The only recent study that we know of which is of direct relevance to this research, and which informed its design, is a UNIFEM funded study of eight micro-enterprise projects for women (Creevey 1996, see below). As already indicated in chapter 1, ever since the international community started to recognise the significant role of women in the economy, micro-finance has dominated as the central plank of its poverty alleviation strategy. The lack of interest in alternative strategies, such as the provision of technology, skills-based training or literacy, over the past decade or so has influenced the research agendas of development agencies and research foundations. Governments of developing countries have for their part concentrated their energies and resources on expanding and improving formal education. In the absence of in-depth research and evaluation around training for women's micro-enterprise development, therefore, has grown the belief that it is ineffective.

There is not space here to review the literature which examines the link between knowledge and skills acquired through **formal** education and women's micro-enterprise development. There is no doubt that the access which formal education provides to wider social networks, to channels of communication and information, including the print media, and to new technologies, is very important for successful businesses of all sizes. The fact that women have less access to formal education than men is a major disadvantage for them when competing for jobs. In most poor countries, many more girls drop out of primary and secondary school than do boys, and their choices within the educational system are more limited. For example, they are likely to be discouraged from taking maths, science and technology courses, and when vocational subjects are available at school, girls are usually obliged or encouraged to take courses in traditional female skill areas such as domestic science, hairdressing and dressmaking, which offer limited and low-paid job opportunities. Likewise, women's and girls' lower participation in the wide range of available **non-formal** education and training programmes designed to equip young people for jobs is a serious disadvantage for them (Goodale 1989, Leach 1995, 1996).

The following brief review covers published material on training for micro-enterprise development (which includes for the purpose of this study literature on training for the informal sector and self-employment) and vocational education and training, as they relate to women. It is followed by an overview of a number of training manuals in this field.

2.1 Training for women's micro-enterprise development/women in the informal sector

Of the few studies that exist which look specifically at training for women working in the informal sector, worth mentioning is Goodale's (1989) work for the ILO and Leach in a DFID funded study by McGrath et al (1995). Other writings – some of which is case study material - are Iyer (1991), Walsh and Nelson (1991), Jumani (1989), Wadehra (1991) and Awori (1995). The UNIFEM study reported by Creevey (1996) examines training as one of a number of inputs on women's micro-enterprise projects.

Goodale (1989) has argued that the increasing interest in training for the informal sector during the 1980s failed to recognise the involvement of women, and therefore to develop programmes and strategies which distinguish between women and men as economic producers. The failure to recognise that women and men engage in different economic activities in different sets of circumstances and therefore have different training needs has resulted in 'a relatively male-biased delineation of both skill acquisition and work in the informal sector, in which women are largely invisible' (Goodale 1989 p 1). Even where training has been targeted at women, it has often been inappropriate and ineffective because it has not sought to provide them with the means to make a viable income which would lift them out of poverty. She lists examples of this:

- agencies providing training to women (primarily NGOs) have not pursued it in a context of training for existing or potential market opportunities geared to the circumstances of women's lives
- they have failed to provide training in business skills alongside vocational/technical skills because women's economic activities were seen as 'projects' not as 'enterprises'[6]
- such projects have largely been run by generalist and volunteer community development workers with limited technical and managerial skills to impart and limited knowledge of local markets and market dynamics. Little consideration has been given to the feasibility of the productive activity, the quality of products and market opportunities.
- women have been given limited awareness of alternatives to traditional female occupations and their perception of their own employment potential has been extremely narrow. Training has usually been provided in areas such as sewing, embroidery, cooked foods and vegetable gardening, all low-profit, labour-intensive activities which lead to over-supply and can never help women out of poverty.

Awori (1995) looks at a range of training issues around women's micro-enterprises in Africa and divides training needs into three categories: training for low-income women, for women who are already entrepreneurs, and for trainers. She suggests that programme experience shows that low-income women need training in three areas: business skills, technical skills and what she calls 'counselling in family life education' which covers nutrition, child care, family planning as well as leadership training and group maintenance (p 231). If these three strands are not offered together, or if technical inputs alone are provided, the training will not be effective. In particular, she argues that a gender awareness, value-oriented, empowerment component is crucial. Our own research confirms this finding, although we would argue that the focus of the third category of training should be on gender awareness raising and confidence-building rather than on women's reproductive role.

Alongside their lower levels of education and training, women are also disadvantaged comparative to men by their relative lack of access to information (about markets, credit etc), to new technology (despite evidence that they are both users and innovators, Appleton 1995), and to networks between entrepreneurs which allow informal flows of often privileged information. The importance of privileged networks was made very clear in the Indian case study (**chapter 5**). Programmes which promote information about training and employment opportunities are usually not accessible to women, e.g. through business associations and placement services, business pages of newspapers and radio programmes which are broadcast at times when women cannot listen to them, or advertised at places women do not frequent (Goodale 1989, p 12).

In addition, the objectives of training for women have often been poorly thought out and uncoordinated. One example is provided by Rogers (1994) who found that women's projects often failed to bring education/training and production together. From his experience many women's projects provide multiple inputs, of which one might be literacy and another income generation. He found that rarely did the one build on the other, so that learners were not encouraged to use their literacy skills practically to advance their economic activities and to increase control over their own affairs. For example, he found that the vocabulary of primers did not cover words used in economic activities, women were not encouraged to write down their financial transactions but merely to memorise them, and often the accounts of credit groups were kept by a literacy instructor or a NGO official and not by the women themselves.

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[6] Buvinic (1986) is particularly critical of the 'welfare project' approach to women's income generation in her article entitled 'Projects for women in the third world: explaining their misbehavior' *World Development*, 14,5, pp 653-664

More generally, it can be said that there has been a lack of gender awareness among those involved in designing and delivering training opportunities for women. As a result, the constraints operating on women in the private as well as the public (social, economic and political) spheres because of their sex have not been recognised and addressed through the training. Such constraints which define and limit women's choices in life include: lack of mobility, either for cultural or domestic reasons (child care); lack of power in the household, whether power over decision-making, resources, child bearing or the woman's own income; conflicting pressures between her triple roles (productive, reproductive, community); lack of collateral (property or land) with which to obtain credit; discriminatory labour legislation (e.g. on pay levels, on women working in certain occupations, or at night); limited access to justice and political power (e.g. for lobbying or representation, for redress against sexual violence and abuse). While men may also face constraints when seeking education, employment, credit or legal representation, particularly if they are poor, the constraints that women face are **additional** to those faced by men. Training programmes for women have at best addressed their practical needs (earning a living to guarantee survival) but have in most cases ignored their strategic needs, which require tackling the underlying causes of women's subordination to men (Moser 1991).

The UNIFEM funded study reported by Creevey (1996) examined a range of inputs which have a potential impact on women's micro-enterprises, one of which was training. The purpose of the study was to find out whether the impact on eight women's micro-enterprise projects differed depending on whether the project intervened comprehensively or simply, that is by providing multi-faceted support such as training in technology use, business skills, self-awareness or group organisation, or simply offering instead a single type of assistance such as access to credit or a new or improved technology. The study also sought to examine the role of mobilisation in projects for women, i.e. training of women in group organisation and management, self-awareness and empowerment to assist them to take charge of their lives. Some argue that as women succeed in business they naturally become empowered, others argue that in very conservative and restricted environments mobilisation can make them successful and more effective. The study found that the combination of new or modified technology, training and credit appeared to have a significant impact on women's income levels and quality of life (and that of their families). The link between mobilisation and increased income was less clear. This can probably be explained by the fact that mobilisation works towards longer-term goals of empowerment and does not necessarily provide resources in the short-term which can contribute to raising income levels. Nevertheless, there is a large body of literature, outside that relating to skills training, which argues that poor women in particular need awareness raising if they are to overcome the barriers that face them when they enter the public arena, which is dominated by men, e.g. Moser (1993), Longwe (1998), Williams (1994) and Parker (1993).[7] Our study found clear benefits of such awareness building components for women's perception of themselves as potential businesswomen.

However, the study reported on by Creevey was unable to draw firm conclusions about training as an effective strategy because it did not distinguish which kinds, or amounts, of training the women received, nor what their initial skill level was. Nevertheless, it did find that the women who had received training were far more likely to perceive high project impacts than those who had not had training. 71 percent of those who had been trained in the sample said they had higher incomes as against 48 percent of the untrained women (Creevey, 1996, p 203). The intention in our own study was to close this gap in knowledge about what type(s) of training can have an impact on women's micro-enterprises.

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[7] The latter two are gender training manuals.

Within the broader literature of training for micro-enterprise and SME development, there is also a concern that training has been ineffective. The Working Group on Business Development Services set up for the Donor Committee on Small Enterprise Development (funded by a number of bilateral and multilateral agencies) reports on training as one type of service, others being counselling and advice[8], information provision, technology development and transfer, and business linkages. It points out that 'until the microfinance revolution, [training] was probably the most prominent instrument used in SME development' (Gibson, 1997, p 29). It identifies the main problems with early training interventions as having been:

- too generalised relying on relatively standardised material
- too supply-driven with impractical subject matter far removed from SME realities
- delivered in an inappropriate top-down teaching style
- delivered by ill-qualified people
- insufficiently aware of cost control
- insufficiently aware of the need to encourage trainee commitment to learning
- insufficiently concerned with follow-up *in situ*.

(Gibson 1997, p 29)

In passing, we should note that if the above analysis was gender sensitive, it would have added to the list 'insufficiently aware of the different training needs of women and men'. It is however typical of much of the literature around SME, self-employment and the informal sector, in perpetuating the invisibility of women.

Harper (1989) is particularly damning of attempts to provide business advice and training through credit organisations and entrepreneurial,development programmes, often for those who have never set up in business before. Such advice and training can never be specific to the context within which the entrepreneur is working or facilitate access to privileged sources of information on which successful businesses so often depend. He argues that the only real bottleneck in micro-enterprise development is lack of credit, and that if training is to be provided it should be given to government officials so that they can learn to be more tolerant of the informal sector! He does however concede that the very poorest and most disadvantaged are unlikely to benefit from credit alone and may well need technical (rather than business) skills training. Indeed, our study confirmed that the poor are in need of training, but our evidence suggests that business rather than technical skills are the most useful and effective (when appropriately taught).

Research studies in the area of what is typically referred to as 'small and medium enterprises' or (SME) - as opposed to micro-enterprises – are not usually concerned with the smallest enterprises, usually those of the poorest, and so not surprisingly they address men's rather than women's needs. Examples are Afenyadu et al (1999) *Learning to Compete*, Kent and Mushi (1995) *Education and Training of Artisans for the Informal Sector in Tanzania*, and McGrath et al (1995) *Education and Training for the Informal Sector* (all funded by DFID Education Division). Other relevant works are King and McGrath (1999), Grierson (1997) and Grierson and Mackenzie (1998). Despite in some cases recognising that women have smaller businesses than men, are under-represented in vocational training and are discriminated against in the labour market (e.g. Kent and Mushi), these studies fail to engage in any gender analysis as to why this is so, and hence fail to provide recommendations that would actually address the situation (which is one of power relations). Symptomatic of this is the failure to provide sex disaggregated data (which of course may not be readily available at the country level but could easily be part of the research itself); without such data, there cannot be adequate recognition of the full extent of discrimination against women in education, training, and employment, nor can appropriate strategies be developed. This is despite the fact that women often make up half of those working in the informal sector and sometimes more.

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[8] In our study, this is considered as informal training.

The recent and large scale three year study by Afenyadu et al (1999) for DFID of 'learning-led competitiveness' provides a good example of this. This study sought to extend our understanding of the role that education and training plays in developing competitive enterprises in three African countries. However, women do not feature in this competitive world except in passing, although ironically some of the constraints which the authors identify are in fact gender-specific. Unfortunately, they fail to recognise them as such. For example, they speak disapprovingly of entrepreneurs who see their SMEs:

> *as having the primary function of providing income that can then be invested in other household activities and strategies such as education for children and land acquisition. This non-entrepreneurial outlook ...reduces the likely profitability and growth of enterprises and, if not taken into account, can lead to reduced effectiveness of interventions.* (p ix)

Those who channel income from the enterprise into the household are most likely to be women, while men might channel it into land (or into their own 'luxuries' such as cigarettes or alcohol). At the same time, the pressures on women to provide for their families are likely to be much greater and more continuous than those on men, as in many cases (as our research shows) they are solely responsible for feeding themselves and their children. Addressing these gender-specific constraints requires an understanding and an examination of the gendered structure not only of the market but also of the household, the state and the community, all of which are institutions which impact on women and men differently (Kabeer, 1994). Without this, the chances of developing strategies which will support the development of competitive enterprises among the developing world's many women entrepreneurs are limited.

One exception to the lack of gender sensitivity in the literature is Bennell (1999a), whose study for ILO on skills development among the economically vulnerable and socially excluded does, by nature of its topic, consider women's circumstances and needs explicitly. He cites Moser who points out that most formal training for women has been closely related to gender-stereotyped tasks and occupations and in this respect it is itself part of 'deep-seated, culturally sanctioned forms of gender inequality' (p 25). Bennell continues:

> *A common criticism of public sector training for the poor is that, at least up until fairly recently, it has been largely 'gender blind' which is part of a wider problem of mainly male policymakers simply 'not seeing' women. Without a strong, theoretically well grounded gender perspective, training programmes have failed to address the invisibility of women in the informal sector.* (p 32)

This study by Bennell highlights the unhealthy division in development agencies between programmes which are intended to stimulate economic growth and therefore address those sectors of the population that are valuable economically (owners of medium or large enterprises, skilled labour etc) and those which are intended to alleviate the plight of the poor (social development programmes, e.g. in healthcare, sanitation, housing and small-scale income generation) and which target the disadvantaged and the marginalised. Women are to be found disproportionately in this latter category, not surprisingly given that two-thirds of the world's poor are estimated to be women. Despite the fact that the literature around SME is frequently located in a pro-poor or poverty alleviation perspective, it is actually concerned with enterprises which are significantly larger and more stable than those run by the very poor, and by women in particular. Interventions around training for SME in fact target the 'not so poor', these being disproportionately men, and are informed by an economic discourse of production, growth and competitiveness. On the other hand, training interventions funded by social development programmes target women disproportionately (and are informed by a social science discourse). By dealing with these two sets of interventions, and the research that informs them, separately (usually through different departments), development agencies will continue to exclude the very poor, and women, from strategies for economic growth (including SME promotion). They will therefore ensure that they remain poor and marginalised.

2.2 Women and vocational education and training

In the more structured and institutionalised arena of technical and vocational education and training (TVET), the same focus on traditional male skills is to be found and the same dearth of literature on TVET for women. This literature has also failed to differentiate between female and male training needs, the different types of constraints they experience in accessing the labour market, their differing level of knowledge and skill at the point of entry to training programmes, the level of resources that they command (including credit) when setting up a small business, and their anticipated outcomes. Some of the publications referred to above also deal with vocational education and/or training, albeit within the context of SMEs, self-employment and the informal sector. Others, Middleton et al (1991, 1993), Middleton and Demsky (1989), Schweitzer (1994), Gray et al (1993), Bennell (1999b) look at broad issues around policies, investments and outcomes of vocational education and training, and the development of systems of vocational training. Some of this relates to formal school-based vocational or pre-vocational education, some to non-formal vocational training in vocational training institutes. It was partly because vocational training programmes focused almost exclusively on skills appropriate for formal employment that training schemes for SME and self-employment (as reviewed above) were developed. As with the literature on training for SME development, the male focus of the TVET literature has merely served to keep women invisible in the labour market, and in so doing to reinforce the gendered nature of the workplace.

The World Bank's 1991 policy paper *Technical and Vocational Education and Training* is typical of this, only finding space for one and a half pages out of 72 to discuss the problems that women face in the labour market and the type of training programme needed to address them. The rest of the document is silent on women's contribution to the economy.

The emphasis of vocational training programmes on traditional male skill areas has meant that male students dominate in the better resourced 'real' vocational areas such as electronics, industrial design, carpentry and plumbing etc, while girls are confined to commercial studies (secretarial), dressmaking and catering etc. The information and communication technology (ICT) revolution has added a new male dominated area of expertise, despite the fact that it requires keyboard skills, a traditional female area – women are largely relegated to word processing while men take on the more complex and exciting technical aspects of ICT work. Even where women have been able to enrol in male dominated skill areas, this has not resulted in increased numbers. As Ellis (1990) has pointed out, the experience in the Caribbean where girls outnumber boys at all levels of education, and where there are more women with professional or technical training, there is still a gender stereotyped selection of subjects. And Coombe (1988) found that the Commonwealth experience of vocational education for girls revealed that, even where governments had introduced positive discrimination to encourage girls to enrol in technical courses, and in some cases had introduced quotas, in practice social and cultural conventions, peer pressure and the fear of sexual harassment continued to deter girls from joining. Mbilinyi and Mbughuni's (1991) study of education in Tanzania showed that girls were very under-represented in TVET (20.7 percent of trainees in 1989), continued to be found in the traditional female skill areas, and risked being further marginalised by the emphasis on 'modern' skills in high level technology.

2.3 Training manuals

There are three training manuals designed for women's small businesses:

Kraus-Harper and Harper (1991) *Getting Down to Business: a training manual for businesswomen.* This is a useful trainer's manual of basic business skills, covering how to teach basic business records, business planning, financial management etc to 'enterprising women'. However, the authors make it very clear that this is not intended for the poorest women, but only for those who are literate and have at least primary education, and who are also appropriately motivated:

> *The participants must also have some ambition, and idea about how to improve or expand their businesses. They must have thought clearly about how they can get away from their home and the business responsibilities.*

And it continues:

> *.. this will exclude large numbers of women, but many of them may already have demonstrated that they can do very well without formal business skills.*

Our study in fact showed the opposite, that poor women **do** need basic business skills.

The other two manuals are directed specifically at the poor and the 'less motivated'.

The Commonwealth Secretariat's (1992) *Entrepreneurial Skills for Young Women: a manual for trainers* provides resource materials and suggests teaching methodologies to those involved in developing entrepreneurial skills among women. It covers achievement motivation and gender issues as well as basic business skills. This manual was used as the basis of the programme designed for the women who feature in the Indian case study (**chapter 5**).

ILO's (1996) *Rural Women in Micro-Enterprise Development: a training manual and programme for extension workers* is intended for development workers involved in micro-enterprise development for women in rural areas. It provides modules on training methodology, marketing management, financial management and conducting feasibility studies. Emphasis is on learning by doing through a combination of workshops and field work.

Other manuals, not intended specifically for women, but of some relevance to this study are:

Harper M (1995) *Empowerment through Enterprise.* This is a manual for trainers of NGO workers working with the poor in developing their micro-enterprises. It is targeted at the poorest and shows through examples of activities that women need to be given preference in support for micro-enterprise development because of the disadvantageous situation in which they usually operate.

Rao TV et al (1990) *Designing Entrepreneurial Skills Development Programmes: Resource Book for Technical and Vocational Institutions,* for the Commonwealth Secretariat. This manual typifies the approach to SME and TVET in that it fails to realise that men and women have different training needs.

In addition to the above, there are many manuals for gender training in a wide range of development contexts, which are not specific to micro-enterprise development. Nevertheless, the principles underlying their approach need to be incorporated into micro-enterprise training programmes for women (and men). Some of the better known manuals for training of development workers are: Parker (1993) *Another Point of View: a manual on gender analysis training for grassroots workers,* Williams (1995) *The Oxfam Gender Training*

Manual, and Moser (1993) *Gender Planning and Development: theory, practice and training*. Cummings et al (1994) *Gender Training: the source book* is a useful reference book.

2.4 Conclusion

The above brief review reveals the deep gender biases in the literature on both training for SME development and TVET and the relative absence of studies on training for women in these two areas. This study hopes to provide new insights into the heavy involvement of women in the informal sector and into their specific training needs.

Chapter 3: Methodology

3.1 Introduction

The broad purpose of this study, as explained in chapter 1, was to examine the impact of training on women's economic and social status along four dimensions: income, access and control of resources, status, and quality of life. It also sought to find out what constitutes effective training for women's micro-enterprise development and the nature of the relationship between training and credit.

3.2 The research design

As already outlined in chapter 1, the research strategy adopted was a series of case studies of projects and programmes providing training in technical and/or business skills supported by two large NGOs working in the field of micro-enterprise development, with a particular interest in targeting women. Initially, the members of the UK steering group within Intermediate Technology and ACORD were asked to select three projects each, two of which were to be the main source of data, and the third to provide supplementary data. Intermediate Technology identified India, Sri Lanka and Peru, while ACORD identified Ethiopia, Eritrea and Sudan. However, it proved possible to only complete the research on four projects. Government restrictions on NGO activity in Eritrea meant that this case study had to be dropped and field work was disrupted in Sri Lanka after the initial round of interviewing because of lack of security in the research location. The findings therefore emerge from the remaining four case studies (Ethiopia, India, Peru and Sudan). Some data from the later stage of the field work in Sudan were also missing.

Local researchers were recruited by the relevant member of the UK steering group and the person appointed as research supervisor for the study in each of the countries (usually the Intermediate Technology/ACORD officer responsible for training). The research supervisor, together with field officers who were familiar with their female clients, was responsible for selecting the women to take part in the study.

The sample in each country was to consist of two groups, ideally ten in each.[9] These would be women who were about to undergo training and who constituted the focus of the study (Group1) and those who had already received training, preferably at least six months prior to the start of the field work (Group 2).[10] The first group was to be studied intensively and interviewed at regular interviews during the field work period, the second group less so. They were interviewed only at the start and at the end of the field work. Their inclusion in the study was intended to allow us to study the impact of the training over a longer period and establish the extent to which they were continuing to use the skills acquired during their earlier training. The Peru sample also included five men, as providing a comparison to the women in terms of how they made use of the skills acquired. However, it was decided at the research design stage that neither the budget nor the primary goal of the study would allow us to engage in a rigorous comparison of men's and women's micro-enterprises. This does not however preclude the relevance of such a study being carried out, and indeed the Peru comparative data was illuminating.

Finding even two small groups of ten women fitting the same criteria for inclusion in the study was difficult. In the Indian case, the NGO initiative was new and there were only ten women available for each group. In Peru it was difficult to find courses within the Intermediate Technology programme with a sufficient number of female participants willing to take part in the study (hence two courses were included, one in fruit processing, the other in bread making). In Ethiopia, the women who attended the business skills course had already been selected for training by their community-based organisation because they were defaulting on loan repayments or were not making good use of their loans. In the other case studies, women were identified who were willing to be interviewed and observed, or who looked 'interesting' or 'promising'. For the Group 2 samples, field officers had been told to ensure that a number of women were included who had become successful entrepreneurs as well as some who had failed. In the Ethiopian and Peru samples, the women were mixed in terms of their level of success or failure; however, in Sudan all but one of the eight women in this group had been moderately successful in what they had set out to do. 57 women (73 percent) of the total sample of 78 women were recipients of micro-credit at the time they received training (in some cases other members of the family also had a loan).

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[9] In the event, of the ten women in the Group 1 India sample one left the project soon after being trained and did not return until the last phase of the field work. In the Group 2 Sudan sample, there were only eight women.

[10] In the Ethiopian case, the earlier training had taken place six months before the field work started, in the Indian case one year earlier, in the Sudan and Peru studies three to four years previously.

It should be noted that some women had received other types of training prior to the start of the study, e.g. in first aid, healthcare, nutrition, literacy and nursery teaching. A few had already attended courses in book-keeping or marketing. The role that prior training might have played in the development of their micro-enterprises was not investigated. Nor was literacy training. However, this latter is an important area to research, as very little is known about the role that literacy plays in such a context.

The requirements of the study, as determined by the research questions, meant not only monitoring the changes over time that occurred in the women's productive and non-productive activities as a result of the application of new skills but also isolating the impact of the training input from that of other inputs, in this case credit. The first requirement was met by the researchers conducting an exhaustive baseline interview with each woman in Group 1 before they received training, followed by a number of visits subsequent to the training (every two to three months) which yielded both interview and observation data on each woman. This also allowed the researcher to build up a detailed profile or diary about each woman. The field work period lasted between eight and nine months in each case, with the training for the Group 1 women usually taking place soon after the baseline survey was conducted. To meet the second requirement, the research team developed a follow-up interview schedule and a Socio-Economic Impact Matrix[11] (**Appendix 2**), on which the researcher recorded details of changes at each visit along a number of discrete dimensions, namely: activity, time, skills, resources, income and social impact.

3.3 The research instruments

These consisted of the following:

3.3.1 Group 1 women

- **a detailed baseline interview schedule (A1)** which was administered to each woman in the main sample just before they underwent training (or in some cases at the same time as they were receiving training). This consisted of both closed and open questions. The schedule was divided into six sections:

    a. personal and household details, including details of all those who were living and earning in the household, who was head of household, the household's assets, income and loans, educational levels of each household member and any prior training or business support the woman had received

    b. the woman's daily activities

    c. the resources she was putting into her productive work at that time

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[11] This is based on the Gender Analysis Matrix designed by Rani Parker (1993) for training development workers.

d. her income at that time

e. the training she was about to receive and what she expected to gain from it

f. her status in the household, in terms of decision-making and her aspirations for the future.

- **a follow-up interview schedule (C),** administered to the women in the main sample at regular intervals, usually every two months. This was briefer than the A1 schedule and was designed to capture changes to the woman's daily life and in particular her business activities as a result of the training. It consisted of three sections:

  1 changes to the woman's personal life, including changes in activities carried out, amount of time spent on each and membership of any group, changes in household circumstances, resources required for her productive work, uses made of skills acquired during training, changes in income, changes in external circumstances which might influence her productive work, what she does with any additional income, and what she sees as the way forward in her business.

  2 changes to her husband's (or other male relative's) life as a result of changes to her life.

  3 changes to other household members' lives.

- **a Socio-Economic Impact Matrix (SEM),** which was used in conjunction with the follow-up interview schedule (C). A sample is provided in **Appendix 2**. Its six horizontal categories are: activities, time, resources, skills, economic outputs and social impact. Its vertical categories are: woman, men and household. The purpose was to condense the information obtained by administering the C schedule into a tabular summary of the ***changes*** experienced by the women in their working lives since the researcher's previous visit, and the impact that these changes had on her husband/closest male relative and her household. The researcher always completed the Matrix ***after*** the C interview had been held.

  In the case of Ethiopia and Peru three follow-up visits were made to the women (and three C schedules and matrices completed). In India and Sudan, there were four follow-up visits (although in the latter case, only five of the ten women received four visits). In all cases they were spread out over seven to eight months of field work, with the total field work period lasting eight to nine months.

- **written profiles of each woman**, which the researcher constructed over the field work period. This provided additional information to that gathered through the interviews, especially on complex factors in the household, community and wider environment which were either facilitating or impeding the woman's use of the knowledge and skills acquired during the training. It also allowed the researcher to record the difficult lives many of these women had experienced as well as her own personal impressions of the women and their attitude towards their business.

3.3.2 Group 2 women

- **an interview schedule (A2)** to be used with the second group of women. This was a slightly modified version of the A1 schedule. It was administered at the start and end of the research period (with the exception of Sudan, where it was administered only at the start, as all the women in this group had been trained several years previously). The purpose of this schedule was to find out from a sample of women who had received training at an earlier date the extent to which they had found the training useful over the extended period, whether any increase in income had been sustained over time, and whether they were still applying the knowledge and skills acquired. As already indicated, this included some women who had developed successful businesses.

In the Ethiopian case, the training for this second group had taken place six months earlier, in April 1997, in India a year earlier, in September/October 1996, in Peru during 1994, and in Sudan at varying times but none later than 1995.

3.3.3 The training

A series of B schedules were developed to gather information about the training process itself. These consisted of:

B1: interview with the field officer or person(s) responsible for determining training policy and arranging courses. Questions addressed details of the course currently being run, training objectives, selection of trainers and trainees, costs of training, training policy, strengths of formal and informal types of training, value of training compared to credit, and barriers to women acquiring skills and making use of any skills acquired.

B2: interviews with the trainer or trainers responsible for the course. Questions covered the extent to which training objectives were being met, trainees' attendance and level of interest/motivation, the content of the course, the training methods used, the perceived role of the trainer, the trainer's personal assessment of the trainees' attitude towards skill acquisition and micro-enterprise development, and barriers to women acquiring and making use of skills being taught.

B3: observations of the training course. This focused on the topics covered, methods used (especially whether trainees were practising the new skills), the trainer's role, equipment and training aids available, numbers of trainees, level of trainees' interest and motivation, researcher's personal assessment of the value and relevance of the training to the trainees. The researchers observed a number of training sessions:

Ethiopia	5 half-day sessions of formal training (business skills)
India	2 days of formal training plus some observation of informal training (e.g. at the cocoon market)
Peru	7 formal training sessions (all technical), plus one informal (technical assistance)
Sudan	3 formal training sessions and 5 informal (business advice)

3.4 Procedures for setting up the field work

All the schedules and the Matrix were developed by the UK steering group. The baseline interview was developed out of one originally used in the Sri Lankan programme. Feedback and comments were received from the research supervisors in the countries concerned. Extensive notes were provided to the researcher on how to complete all the schedules, the Matrix and the field diaries. A member of the UK steering group was responsible for setting up the study in each country, briefing the contracted researcher and training her as required. While it was stipulated that the A1 and A2 schedules could not be modified in any way to ensure standardised baseline data, researchers were allowed to modify the C schedule. The Matrix also had to be completed as instructed by the UK team, as this was a key instrument of analysis.

3.5 Monitoring of the field work

Completed schedules and a progress report were submitted by the researcher at quarterly intervals. These were examined by the UK team and queries and requests for additional information sent back to the field. Particularly effective examples of the presentation of data on the Matrix by the Indian researcher were circulated to the others (see **Appendix 3** for an example). The researchers were required to draw up a plan of visits for each quarterly period, this plan to be monitored by the research supervisor in question. (The data gathered was transmitted directly to the UK steering group and was not subject to scrutiny by local NGO officers).

3.6 Data analysis

At the end of the field work period, preliminary analysis was carried out on the data, based on an analysis of the answers to the questions contained in the schedules. Data were recorded manually for each woman according to replies given to each question, so that the preliminary analysis provided a separate but complete account of each woman's activities, thoughts on her business activities etc at the time of the researcher's initial visit and at each subsequent visit. In the Indian case, this preliminary written analysis did not give an account of each woman's replies because they were very similar. This was not surprising because the women were all working in the same field (silk reeling), came from the same village where most of their families were related, shared very similar experiences and were treated as a group for the purposes of training and credit by the local NGO. The group experience therefore formed the basis of analysis.

Quantitative data on income change proved problematic to analyse. The researchers had found it difficult to obtain an accurate figure for daily, weekly or monthly income (a not uncommon situation, see Kabeer, 1995). Many of the women involved in trading were unable to distinguish between turnover (gross income) and net profit. Sometimes they gave a figure which did not take their loan repayments (with interest) into account; sometimes repayments were accounted for. Some did not want to give the researcher an exact figure for fear of losing their loan (either because they were being too successful or not successful enough) and many did not want to reveal their real income in front of male members of the family. Sometimes they gave conflicting figures between one interview and the next and there was some confusion as to whether they should be reporting increases or decreases since the ***previous*** visit or since the ***first*** visit. Income could fluctuate widely between one day and the next. Despite the difficulties in recording income changes accurately, the table in **Appendix 4** is an attempt to provide patterns of income for all the women on the four projects who were in productive work at the time the study started. For the Group 1 women, this records income changes at the time of each visit (two or three monthly intervals). For the first occasion these represented changes since the women were trained, and on subsequent occasions they represented changes since the previous visit. For the Group 2 women, the first visit recorded income changes in the period after they had received training, and the second visit recorded any subsequent changes in income.

The table in **Appendix 5** represents an attempt to indicate the number of cases where there was a clear link between the training, increased income and credit. For the Group 1 women, the income change (increase or decrease) was that which occurred during the first four months of field work (for many women there was a subsequent decline); for the Group 2 women, the time scale was not specific but referred to the period following the training. In all cases, the income is assumed to be net of loan and interest payments.

During data analysis, information from the questions in the A and C schedules and the Matrices for each woman were condensed into broad categories of data according to the principles of grounded theory as applied to qualitative research, with progressive focusing leading to the emergence of the main findings.

These case studies were used as the basis of a three-day workshop held at the University of Sussex in September 1998, to which all members of the UK team, local researchers and research supervisors of the four complete studies were invited. Unfortunately the participants from Sudan were unable to attend because of the closure of the British Embassy in Khartoum at the time, which meant that they were unable to obtain visas.

At the workshop, the main findings of the research were extracted out of the four detailed case studies. These were used as the basis for the writing of the final report for DFID by Fiona Leach (Sussex University). A draft version of this report was sent in December 1998 to the participating researchers and research supervisors, and the other members of the UK team for comment. The final report was completed in January 1999. This Education Research Report provides a fuller account of the four completed case studies than was possible in that report.

3.7 Methodological issues

The Matrix turned out to be a very effective tool for recording changes in the women's lives between one visit and the next. The Indian researcher added pluses or minuses to the summarised points so as to allow the reader to have a quick idea of whether the woman's situation had improved or not (see sample in **Appendix 3**). This researcher also produced four sets of consolidated data in matrix form to sum up the situation of the women as a group at each visit. This would not have been possible on the other projects because the women were all engaged in different activities.

The main problem reported by the researchers with the Matrix was the same as that reported above in 3.6. At times it was not possible for the women to accurately assess changes to their lives between one visit and the next, especially in terms of income gain or loss. Income used for business purposes and that used for the household could not easily be separated out. The woman could not necessarily remember what her situation was at the time of the previous visit. So figures recorded were often approximate.

The small size of the sample was problematic in terms of the reliability and the generalisability of the findings. In the Sudan group four different types of training (one technical and three business-oriented) were covered. In Peru two different types of technical skills training were covered. In the Indian Group 1 sample, only eight women received the formal training component, they received a much reduced programme of formal training to that of the previously trained group, and one woman left the village immediately after the training and did not return until towards the end of the research period. None of these changes could have been anticipated at the start of the research, nor those associated with the other countries originally included in the study (Sri Lanka, Eritrea and Sierra Leone). This points to the need to identify larger samples at the planning stage than the research design requires so that one can make allowances for the unexpected.

Practical problems of communication also arose. In the case of the Port Sudan programme, it could take two months for the completed interview schedules to reach the UK and this did not allow time for feedback and requests for clarification to reach the researcher in time for the subsequent visit. Changes in personnel in the two UK offices of the NGOs also complicated the research process.

Chapter 4: The Dire Dawa Urban Development Programme (Ethiopia)[12]

4.1 Background

The ACORD programme in Dire Dawa had been running for over three years (since May 1994) at the time the research started. It is still running and is funded by ACORD UK through its regional office in Addis Ababa. Its overall purpose is to work with community organisations and structures, particularly groups of women, to address the needs and improve the condition of the poor within the community.

Dire Dawa lies in the east of the country. With the construction of the Addis Ababa – Djibouti railway completed in 1902, the town developed into a major trading centre and witnessed the influx of different ethnic groups. With this expansion came a reputation for contraband trade, especially in *chat* (a mildly narcotic leaf that people in the region chew), electrical goods and clothing. This trade moves across the nearby frontiers with Djibouti and Somalia. Today, Dire Dawa's population of approximately 200,000 is made up of three main ethnic groups, these being Amhara (35%), Oromo (33%) and Somali (17%), and a number of smaller groups. The Amhara are Christian while the Oromo and Somali are Muslim. At the time of the research (late 1997 to mid 1998), the economy of Dire Dawa was in decline due to the effects of the border conflict with Somalia, the impact of structural adjustment on the economy nationally and the lack of investment stemming from uncertainty in relation to the town's administrative status. In addition, the once budding contraband trade had been adversely affected by a recent government clampdown. Unemployment and poverty were widespread in the town, especially following recent large-scale army demobilisation and the closure of some factories in the area.

According to a baseline survey carried out by ACORD at the start of the project in 1994, overall only 28% of the population of Dire Dawa were working in formal employment, whilst the large majority (72%) were engaged in informal sector activities. More women than men were employed in the formal sector (55% versus 45% respectively), mostly in the factories surrounding the town. However, women were more likely to be in low-status, poorly paid jobs: the survey found that men's overall share of public sector wages was 88% compared with 12% for women. In the informal sector, where the majority of those working are to be found, the main income-generating activities are selling firewood and *injera*-making (the local bread) for women, transport and stone-crushing for men. The latter are considerably more lucrative than the activities engaged in by women. The proportion of female-headed households in Dire Dawa according to the 1994 survey was unusually high: an estimated 32% of households in the town were headed by women and these were disproportionately represented among the poor.

Hence, the ACORD programme was operating at the time of the study against a background of economic decline. The focus of its work in Dire Dawa was on supporting the most vulnerable and those living in the worst conditions, e.g. in slum areas where piped water is in short supply, diseases spread through a lack of hygiene, where there is no garbage collection and little sanitation. It sought to provide this support primarily through community-based organisations (CBOs). It is estimated that roughly half the adult population of Dire Dawa belongs to one or more CBOs, a remarkably high figure. CBOs vary widely in terms of size and assets, ranging from the smallest with fewer than 20 members and virtually no assets to the largest with several thousand members and significant assets. The former tend to be female-dominated, while the latter tend to be male-dominated.

The majority of CBOs have a social function and act as a sort of insurance policy: in return for a monthly contribution, CBO members receive services to cover traditional social and family obligations such as food and refreshments at funeral and marriage ceremonies, the loan of tents, furniture, utensils and other equipment and the provision of voluntary labour to assist with preparations for such events. The quality and range of services provided vary according to individual CBO capacity, contribution size, and other factors. The ACORD programme has achieved considerable success in transforming CBOs from providing traditional, chiefly socially oriented activities to providing credit, savings and income-generation opportunities (Howes 1998).

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[12] **Exchange rate (1998) 12 birr = £1 sterling**

The principal components of ACORD's programme are:

1. *CBO grants* for income-generation/micro-enterprise projects and/or for social-infrastructural projects aimed at tackling needs identified by the community.

2. *Joint projects* developed in collaboration with other agencies and community or government organisations intended to meet the needs of poor people not able to benefit from CBO grants.

3. *Training* to provide new skills and to upgrade existing skills with a view to improving people's management of their resources.

4. *Linkages* with local institutions, NGOs and donor agencies in order to maximise coordination of development efforts in the town.

5. *Research* aimed at improving the programme's knowledge of the practical and strategic needs of vulnerable groups and documenting the programme's experience of working with community groups.

This study is only concerned with the third component of the programme, namely training.

4.2 The training

The training component is an integral part of the programme strategy in that it aims to strengthen the existing functioning of CBOs and to aid them to move to their new role as providers of credit and savings schemes. Prior to grant disbursement, all CBOs are required to undergo training in this area. ACORD provides a range of types of training. Some such as gender, family planning, HIV/AIDS awareness, environment, and sanitation and health are aimed at a wide audience and are intended to increase awareness of social concerns affecting community life in general. Others are designed to support micro-enterprise development such as savings and credit, organisational management and bookkeeping, poultry production and entrepreneurship. Training needs are identified on the basis of discussions with CBO members, other community representatives, as well as staff observations. While some areas of training such as savings and credit, organisational management and book-keeping, entrepreneurship, family planning and gender have remained constant since the programme's inception, others have been added or dropped based on demand and/or training capacity and the availability of trainers. In all, 975 women and 657 men (a total of 1632) received training from ACORD in the three year period 1995-7.

The higher figure of women trained is accounted for by ACORD's policy of providing at least 50 percent of training support to women and by the higher number of female CBOs supported by ACORD. The policy of prioritising women was applied when it was found that in mixed CBOs men were more likely to put themselves forward for training and women tended to shrink from taking up such opportunities due to lack of confidence, often linked to their lower literacy levels. It appears that women still shy away from training and need more active encouragement than men to be convinced of their ability to benefit.

The programme's training activities include both formal training sessions and informal discussions and meetings with community members. Informal business advice is also given to less successful clients (defaulters) during consultations, when they are encouraged to explain their problems and advised as to how to improve their business. Most training sessions are conducted in collaboration with local institutions, such as the Dire Dawa Family Planning Bureau, the Health Bureau and the Bureau of Agriculture. However, ACORD staff are also increasingly involved in direct training provision (in direct contrast to the Port Sudan programme, also funded by ACORD). This study only investigated one of the nine types of training offered, this being what the programme termed 'entrepreneurship training'.

The researcher, Kibra Kebede, interviewed the Group 1 women shortly before the three day training took place in November 1997, using the baseline schedule to gather information about their socio-economic circumstances and family status, as explained in chapter 3. She subsequently interviewed them three times, at two-monthly intervals terminating in June 1998. She interviewed the Group 2 women, who had been trained earlier (in April 1997) in October 1997 and again in June 1998.

4.2.1 Entrepreneurship training

This training was offered only to members of CBOs supported by ACORD. During the phase of the programme covered by the field work for this study, the target was to provide training to 600 men and women, to be trained in two phases of ten rounds each, with a maximum of 30 participants in each course. Each phase covered one month.[13] The training followed by the women who participated in the study came within the first phase. Both men and women were eligible for training but priority was given to women. The courses which these women attended took place in the hall of the Dire Dawa branch of the Development Bank of Ethiopia. Attendance was for seven hours per day for three days; in the November course, from which the Group 1 women were drawn, there were 20 participants, consisting of 13 women and seven men. The trainer was the male head of the trade promotion department of the Dire Dawa Chamber of Commerce. He was assisted by a facilitator who was an ACORD staff member. The Group 2 women had attended an earlier course in April 1997.

The researcher interviewed the ACORD training officer and the trainer. According to the former, this component of the programme was initiated when some beneficiaries defaulted on repayment of loans. On investigating the reasons for their non-repayment, it was found that a lack of entrepreneurship skills prevented them from making maximum use of the credit received. External and internal evaluations of the programme also recommended that training should be provided. CBO members themselves identified lack of entrepreneurship skills as a problem. Participants were invited from CBOs which experienced high levels of late repayment and defaulting, with leaders identifying individuals for training according to the following criteria:

- those who have access to credit but do not use it
- those who are expected not to be successful in business
- those who have been in business for some time but have failed to show success.

The participants were also expected to be literate but this criterion for selection does not appear to have been strictly enforced.

The objectives of the training were: to provide participants with an assessment of their entrepreneurial potential, to strengthen their capacity to engage in profitable business, to strengthen their self-confidence and to provide them with skills and advice relating to business planning and funding sources (Teklu 1997).

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[13] Remarkably, the course that the Group 1 women were part of was a rolling programme of end-on three day courses, which offered no breaks at all for the trainer, a government official who taught the courses during his annual leave!

Training needs for this programme were identified by ACORD staff, external evaluators and leaders and members of the CBOs concerned. Course content was developed jointly by ACORD's training officer and gender officer, and the trainer. Although the participants themselves were not involved in the planning of the course, its participatory nature meant that it was adapted to a certain extent to meet their needs as expressed at the time. An informal training element also existed within the programme in that women who accessed credit through their CBO may be offered advice on how to improve their business performance, but this was limited in scale and not planned.

Specific topics covered by the course were:

- business creation
- business plan
- market research
- sales forecasting, sales approach and competitors
- cash flow forecasting
- action planning
- women and trade.

The seventh topic was added later, in recognition of the additional difficulties women experience when trying to enter the business world. It was tackled through a brainstorming session, led by ACORD's gender officer, in which the reasons why the majority of women engage in very small businesses were explored as well as possible solutions, including motivating women to achieve a higher level of business through challenging the existing business culture and male domination.

The trainer carried out his own study of the first phase of the training programme (September-October 1997), which revealed that 76% of the participants were female, 22% were illiterate (almost all women) and they were involved in very low levels of business, e.g. retailing vegetables, baking *injera* (a local flat bread) and selling drinks.

According to the trainer, during the three-day course the following training methods were used:

- lecturing
- whole group and/or small group discussion
- problem solving (e.g. how to forecast sales on an item, how to calculate profit and loss
- case studies (of successful small businesses)
- demonstrations (e.g. advertising a product)
- conducting a business activity (as described below).

In his opinion, the skills most readily acquired by the participants were those associated with business creation, business planning and market research, because these are the most practical.

The ACORD training officer anticipated that, as a result of the training, the women would move their existing businesses into profit or start new more profitable ventures; they would improve their 'vision of their future life', reinforce the business skills they already had, share their experiences with others and, for those who were literate, start recording profit and loss. Once they were more profitable in their businesses, their standard of living would improve, which would encourage them to take more credit to invest in profitable ventures.

The researcher observed five separate training sessions. These included the following activities:

- a group productive activity in which the participants displayed goods for sale and devised ways of advertising them .
- market assessment in which they identified a profitable venture and planned how much to produce, at what price etc
- developing a long term plan and breaking it down into sections
- evaluating the businesses initiated during the practical work so as to identify strengths and weaknesses
- discussing one's vision for productive work.

During the course of the training, the participants were expected to design, start and run a new business. The business could be anything which could generate a profit over the three days. On the days attended by the researcher, they chose to sell roasted peanuts, bread (either home made or purchased in bulk from a bakery) and *kolo,* a cereal snack. They traded their goods during the breaks in the formal training sessions. They were able to borrow from the trainer, which they could supplement from their own resources if they wished. They must repay the loan at the end of the course but could keep any profit generated.

Outside this group activity, the training was largely of a formal nature and consisted of lecturing interspersed with a large amount of lively discussion (which the few male participants tended to dominate). The trainer was aided only by flipcharts and a whiteboard on which he wrote the main points and expected the trainees to copy (those who were illiterate obviously could not). There was no additional equipment or resources.

The researcher's observation was that the course had largely met its objectives - the participants had acquired relevant skills and learnt to evaluate their businesses critically. They also appeared motivated to develop good businesses and optimistic that they could be successful. They saw the training as important in this respect. As the researcher wrote very aptly:

> *these people enter productive activities in a haphazard, unplanned way, for survival purposes. Usually these are activities where there is a lot of competition and little profit. Training can help them break this vicious circle of poverty.*

Likewise, she considered the sharing of experience as an important component of the training, along with skill upgrading, developing motivation, creating a positive attitude towards business, confidence building, and self-assessment.

She noted that the men interrupted the trainer more frequently with questions and during discussions they talked more than the women. The women rarely asked questions through lack of confidence; interestingly, however, they would answer the trainers' questions more quickly than the men as they saw the immediate relevance to their own experiences. She also noted that both the training staff and the women themselves were of the opinion that mixed training in business was preferable to training for women only, because in the real market women have to deal with men, both as customers and competitors.

It is important to note that several women commented in the later interviews on the 'empowering' effect of attending formal training for the first time in their life (for one it was the first time that she knew 'what a lesson was like') and in a prestigious venue (a government office).[14] One woman who had never attended school said:

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[14] It is worth pointing out that only two of the ten Group 1women had received any prior business-related training (on credit and savings scheme management and organisational management from ACORD). In contrast, all of the Group 2 women had already attended some other course provided by ACORD, usually savings and credit or

> *I had no [previous] chance to attend any form of training. I was allowed to sit and attend a skill training and asked my opinion about issues. It was a great time for me.*

This evidence contradicts the widely held view that formal classroom-based training is inappropriate for illiterate women, who are not used to sitting down for a long time, cannot concentrate on what the teacher is saying for long periods etc. This was particularly remarkable in this context because the researcher indicated that the trainer adopted a traditional transmission mode of teaching and training (albeit interspersed with lively discussion).

However, as the findings of the study demonstrate, external circumstances affect the extent to which participants of such training are able to use the skills acquired successfully. In the Dire Dawa context, these included: a local economy in decline, lack of a legal market area, unclear government policy on small scale business and the quick turnover from contraband trade which affected the viability of legal small businesses. Women face the additional constraints of too many domestic responsibilities, lack of time and physical exhaustion. They may face problems in even acquiring skills in the first place, such as lack of confidence, illiteracy (illiterate women may forget because they cannot take notes), lack of vision and resistance from male relatives.

4.3 The women and the impact of the training on their lives

The 20 women who took part in the study (ten in Group 1 and ten in Group 2) could be classified as poor, with two exceptions in Group 1 and one in Group 2. According to Howes (1998), being 'poor' in Dire Dawa indicates individual incomes of around 100 birr (£8.30) a month from casual labour or selling water or firewood, or a small business turnover of 150-300 birr (£12.50-£25) a month. Typically the poor would live in one room houses rented from the district government. Two of the women in Group 1 and one in Group 2 could be classified as being from 'middle class' families, where incomes would be in the region of 300-500 birr (£25-£42) and small business turnover up to 1000 birr (£830) per month. Typically, they would rent two to three room houses.

4.3.1 The Group 1 women

Some of the women in this study had had very hard lives and unhappy childhoods, as the following narrative will show. The main sample of ten women (Group 1), who were interviewed and observed at regular intervals, were fairly young, with half the women being under 30. Five were married, three divorced (and current heads of their household), one separated and one single (the youngest, aged 22). Three of the women had never been to school, the remainder had had between five and 12 years of schooling. Most of the women had children dependent on them. All were currently engaged in some form of economic activity at the time of the training and all held loans from their local CBO, ranging in size from 300 birr to 1000 birr (£25-83) and at interest rates ranging from 8-16 percent (the average rate being 10 percent). Repayment usually had to be made within a period of ten months. It is important to note that all the loans had been taken out **prior to the November training**, with the earliest starting in April of that year. This would indicate that whatever changes they made to their business subsequent to the training were more likely to be the result of the training than of the credit - or more accurately, the result of the impact of the training on the way the credit was used.

The first follow-up interview with the Group 1 women took place in January 1998, six to eight weeks after the training. At that time, all of the women had experienced some increase in income, albeit very small in some cases, and eight of them showed evidence of having used some of the skills acquired during the training. The data clearly document the ways in

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bookkeeping. Some had attended a one day course on family planning, and one had attended a course on organisational management (as a CBO official).

which these skills were used as well as the impact on their incomes and on their status in the home and the community. Three women in particular had adopted a completely new approach to their business as an immediate result of the training and were being successful, even at the time of the first follow-up visit; another two had developed significant new businesses with considerable potential for profit by the time of the second visit. The remaining five had experienced varying levels of success and failure.

There follows a brief description of each of these women and the impact the training had on them as they struggled to make a living in an unstable market characterised by low purchasing power, product saturation, high inflation and seasonal swings in demand. First, the three women who had adopted a new approach. These were: Zinash, Tsehay and Etsehiwot.

Zinash was 35 (although she looked much older) and had had five years of primary schooling. She had had a hard life. She came from a farming family and was married at 12 to a local farmer. Life was difficult:

> *I was doing the work in my house and the house of my in-laws. In addition, I had to do agricultural work in the field. Although I worked hard, my husband and my in-laws were not happy with my performance. My husband always shouted at me and beat me. After five difficult years my family requested a divorce.*

After getting divorced, she came to Dire Dawa 200 kilometers away and found employment in a textile factory. In 1997, after working there for 27 years she was laid off. Despite her long years of service, she only received 2,900 birr (£240) in compensation. Although she had no children of her own, she was having to provide for her unemployed brother and her sister who was divorced and had a son. They lived in the poorest area of Dire Dawa in a house rented from the district administration.

At first, like many in the area who were laid off, she did not know what to do but after a few weeks her family and friends advised her to start an income generating activity. She developed a range of activities. She started by selling small retail items and preparing tea. She then started preparing and selling *tella*, a local beer, but this is very time-consuming, requires a large space to prepare it in and makes a marginal profit.

After the training in November 1997, she used the newly acquired skill of market research to conduct her own market survey and found that *injera* (a local bread) and *areqe* (a local alcohol) were in short supply. Baking *injera* also requires a great deal of time but there is a market for it among women who work outside the home and have no time to prepare it themselves. Although Zinash knew that as a productive activity which was an extension of domestic work it was prone to market saturation, she decided to try it while the market was favourable. Baking takes about 5-6 hours with a clay oven. She stopped selling other kinds of bread and preparing tea, but continued to sell small retail items such as sugar and tea, which she kept in a carton. She experienced a considerable increase in income as a result of this switch and was soon able to build an additional room to her house, part of which served as a 'kiosk' for selling her goods. By the time of the researcher's second visit, she had bought an electric pan, which allowed her to work faster. She had also got better at baking *injera* and was now able to sell each bread for ten cents less than her competitors, so she had plenty of customers. She claimed to have used business planning and market survey in doing this; by assessing customer demand for *injera* and her capacity to produce and to sell at a lower price, she was doing well. During the researcher's second and third visits, her sales of *injera* reached a peak, generating 50 birr (£4) income every four days. Once her monthly electricity bill had been paid, this allowed her about 50 birr per month profit. She kept this in a sealed container along with profit from the other sales of small retail items.

Alongside baking and selling *injera* which she did in the mornings, she sold *areqe* in her house in the evenings. Men from the neighbourhood who had been chewing *chat* (local tobacco) all afternoon would come to her house to drink *areqe*. Before their arrival at 6 pm, Zinash would clear everything but the furniture out of her house and make it ready for her customers. She sold them processed *areqe* that she bought in bulk and she used the small profit to buy household items. The remainder was kept in the sealed tin. Her total monthly profit from all her sales was around 150-200 birr.

By the time of the third visit, she had employed a woman to bake for her and another woman to transport the *injera* to two customers who bought wholesale from her. She was very proud of this, as it was the first time she had hired anyone. She said she had earned respect from her neighbours for helping other poor women. This also allowed her some leisure time, to rest, attend CBO meetings and to socialise with relatives and neighbours. However, the sale of *injera* had declined and she was compensating for this by expanding the items for sale in her kiosk. The shop now remained open all day, with her sister helping her. Her long term plan was to expand the shop by reinvesting the income it was generating, which she kept separately. She had also taken out a loan from her local CBO which allowed her to buy a set of scales for weighing out flour, sugar etc. Overall she had a slight increase in income. By the end of the research period, she was happy and confident. Her brother had also now found a job as a driver. However, she expressed concern for her old age as she had no child and this concern may have in part driven her to work hard at building up her business.

Tsehay was 35, with five years of primary education. She had been brought up in a farming family in the countryside, married at nine and divorced at 15. The hardship of country life had persuaded her to ask for a divorce and move to the town where she became a housemaid. She was at that time able to take shares in a *chat* selling company. This continues to earn her 500 birr (£42) per month in dividend. She later started co-habiting with another man but he abandoned her and their daughter after seven years, as she told the researcher:

> *I lived with my former 'husband' for years. We lived happily and I do not remember a moment when we exchanged strong words. However, the last time I visited my parents I came back to find an empty house. He took all the valuable items from the house, TV, fridge, tape recorder, cupboard, table and chairs. I entered an empty house. All these items were purchased mainly from my income. After some time I heard that he married another woman. This made me very depressed. Finally I managed to withstand this and I am working hard to convince myself that I could live better without a husband.*

Because she was not legally married, she could not claim anything from the man. She was now responsible for her 16 year old sister and her ten year old daughter. For four years after this man abandoned her, she had no work. Then in 1987 she opened a small bar in a poor part of the town selling alcoholic and soft drinks, tea and home made bread, mainly to labourers, small merchants and contraband traders (all men). The researcher noted that her bar was in rented premises and poorly furnished with stools and benches, and plastic plates and glasses.

After the training, she carried out a market survey (as she had learnt during the course) and had decided to convert her bar to a canteen selling three meals a day. She hired a man in addition to the two women already employed to help her, and her income increased significantly. By the time of the second follow-up visit she had rented a second canteen and had five workers instead of three. Her net monthly income when all expenses had been paid was 150-200 birr (£12.50-£16.70). As most of her customers were Orthodox Christians, she kept strictly to the religious requirements for food during fasting periods. She cooked fasting food every Wednesday and Friday and daily throughout the long fasting period. Fasting food comprises pulses and vegetables while non-fasting food is mainly animal products such as meat and eggs.

When the researcher asked her how she managed to open a second canteen only four months after the training, she replied that she served good quality food but at a lower price than in other restaurants in the neighbourhood. For those who could not afford a full breakfast, she also served smaller portions at a lower price. She claimed to practise market research and customer attraction continuously by asking customers what food they would like and what they thought of the food she offered. She paid particular attention to the quality and quantity of the food, the cleanliness of the premises and the behaviour of the workers towards the customers. She would also note who her customers were, how much they ordered and what they ordered. On this basis she was able to adjust her preparations. She would buy meat and vegetables daily in the market and cook enough for both canteens, sending what was required from the one to the other. The researcher observed her making a short term plan of how much to cook for how many customers over the following week. She had also drawn up a long term plan, which included renting more premises. By the time of the third visit, which was a slack period after the festival when prices had also risen a great deal, she had reduced her workers from five to four, but was managing to maintain her income level.

The researcher noticed how fast she was in her work, doing all the cooking, washing and cleaning despite having several workers on the premises. She was a very energetic person with a pleasant personality. She had many friends, was sociable to everyone and was well respected in the community. These features no doubt contributed to her success. She was also chair of her local CBO, which she was very proud of as such positions are usually occupied by men, and she was secretary of another. Her main concern was the lack of security of her business. Both her canteens were rented from landlords who might increase the rent when they saw how successful she was or might even take the premises back to run the canteen themselves. She had applied to the district administration to allow her to rent a government house for her business.

Etsehiwot was the youngest of the group (22 years old) and the only one who had not been married. She came from a relatively well off family; her mother owned her own house and received a monthly pension. Her two brothers owned a big garage next to the house and they also worked as drivers. Etsehiwot was obliged to drop out of secondary school before completing the 12th grade when her father became sick and she had to nurse him. She continued her studies through evening classes. When her father died in 1992, she found that she had nothing to do in the day-time and so, without telling her family, she purchased a few retail items like sugar, coffee, sweets and soap and starting selling them in a carton in front of the house. Her family were very shocked when they found out what she was doing and ordered her to stop. However, in the face of her strong indignation, they allowed her to continue for a trial period of a month and when they saw that she was doing well, they allowed her to continue. At the time of the study, she was selling from a small shop or 'kiosk' three square metres in size, attached to the main house. She worked there full-time, opening at 6 a.m. and continuing for 13-14 hours until the evening. She sold items like flour, lentils, rice, cooking oil, soft drinks and beer, which she bought in bulk. She worked seven days a week, and travelled twice a week to the central market to buy wholesale.

Compared to the other women in the sample, she was living in a relatively rich neighbourhood offering a potentially more profitable market for her goods. Her brothers' garage also brought rich customers who bought drinks. On a good day (pay days and festivals) her turnover was 300 birr (£25), half that on an average day. After the training, on the basis of some market research (learnt on the course), she moved immediately from selling items in small quantities to selling in bulk, as she calculated that the profit margin was greater. At the same time, the training had given her the idea of starting a canteen to provide breakfasts at her brothers' garage which was next to the house, but as she had no time, she persuaded her sister-in-law to start this. This not only provided her sister-in-law with a good income but provided herself with an outlet for her wholesale goods. By the time of the second visit two months later, in addition to selling wholesale, she had taken over running the canteen in her brothers' garage because her sister-in-law was now selling vegetables, and Etsehiwot was also selling home made bread and tea. Her net daily income had increased from 14-15 to 18 birr (£1.50) per day. She had managed to cut down the time she spent travelling to the wholesale markets as a result of increased capital. She had spent 1850 birr of savings on renovating two rooms in the house and buying a fridge to cool drinks for sale. She currently put aside 100 birr per month as savings, and after meeting the interest on her loan and other expenses, she re-invested the remainder (300-400 birr) in the business. By the end of the research period, her capital was approaching 10,000 birr (£830). She was fortunate that by living with her mother, her consumption expenses were very low and she was able to invest almost all her profits in her business.

By the time of the third visit, she had stopped cooking and selling breakfasts because the workload was too great for her. Now that prices had gone up in Dire Dawa, and the festive season was over, retailing was less profitable. However, she had started selling cooking oil imported by a friend from Djibouti, which generated 25-28 birr profit per day. As this was the slack season, she was spending time studying the market to identify goods which were in demand. She claimed to use market survey and sales forecasting constantly. She assessed seasonal demand, such as cold drinks in hot weather, pulses and cooking oil during the fasting period, and variations between normal days and festival days. Although she regretted not completing her education and being able to look for an office job, she believed she was better off with her business than her friends, most of whom were unemployed. She and her sister-in-law both considered themselves to be successful business women. The household had also changed its attitude towards their work. She herself helped her two brothers with their accounts and acted as a cashier for them; this had helped them to increase their income slightly.

The researcher commented that, as she was applying the skills learnt, she had the edge on other merchants. She continued however, like the other women, to have difficulties in differentiating between working capital, turnover and net profit. She was also aware that in her culture it was important for her to get married, and she was worried that by spending all her time on her business, she did not have time to meet people and find a man to marry. She was in a relatively privileged position compared to the other women in that she always had her family to fall back on if her business failed.

The two women who had developed significant new businesses at the time of the second visit, with considerable potential for profit, were Meriem and Hiwot. Meriem, however, became seriously ill and had to abandon her new venture.

Meriem was aged 27, married with three young children. She had had no schooling and was illiterate. She had also had a hard life. Her mother died when she was young and she was brought up by her grandmother in the countryside. The grandmother died when Meriem was 15, so she went to live with an aunt who was a rich merchant. Her aunt made her work excessively hard in the house so that in the end she ran away to Dire Dawa and found work as a housemaid. She got married when she was 18. At the time of the training, she was helping out in her husband's 'kiosk' (a small part of the house) which sold small household items. However, she covered all the household expenses herself from selling roasted *kolo* (a local snack made from barley) outside the house and from making pleated cloth used in local dresses by a traditional technique. She earned about 19 birr (£1.60) per day. She had taken her loan from the CBO to buy the special stiff paper required for this work. She did not know what her husband did with the income from the shop - despite the fact that the researcher observed her doing all the work in the shop in addition to her own time-consuming work. He was always seen either chewing *chat*, sleeping or absent!

By the time of the second follow-up visit, she had developed a new business with an initial investment of 300 birr. She would travel to a nearby town to buy charcoal, eggs, butter and milk more cheaply than in Dire Dawa, which she then sold in her husband's shop and to local canteen owners. By consulting with potential clients, she was able to assure them of a regular supply and herself a regular income. She considered that the training had encouraged her to change the nature of her work, and had provided her with the skills to think through a business idea, develop a plan and conduct a market survey. She had started with butter, eggs and maize and after considerable experimentation had finally settled on eggs, butter, milk and charcoal. Although the increase in income was marginal in the early stages (78-88 birr per week), she was confident that there was potential for growth. Her husband had become more supportive now and looked after their children when she went to market. She also felt that she had more social respect and self-confidence, and was happy about being more mobile. However, by the time of the third visit she had fallen sick with TB followed by malaria. She was also pregnant. She had however kept her 1000 birr (£83) from her business to re-invest when she was well again. According to the researcher, she was the most promising of the ten women – despite being illiterate.

Hiwot was aged 23 and married with a young child. She had had 12 years of schooling. Like Etsehiwot, she came from a better off family. When she first got married she was dependent on her husband's income as a peddler, which involved him mainly in selling smuggled goods. Although profitable, it was a high risk activity without a steady income. So, with a loan from her family in 1996, she rented a large house in the local compound of the Electricity Authority to run as a canteen, where she had a steady supply of customers. As she became successful with this, her husband started to help out. In August, she had taken out a loan from her CBO to buy a video deck so that customers could view films for a small charge. A previous loan had been used to expand the canteen. At the time of the baseline survey, her monthly net income was around 200 birr (£16.70). She did not experience any significant increase in income until after the training.

By the time of the researcher's second visit, she had more customers including a contract to provide three meals a day for 27 footballers (the researcher noted that at the time of her previous visit there were only three customers, this time there were 12 plus the footballers). She had employed two more people to work in the canteen and her husband also worked there full-time. He had ceased being a peddlar, having found it difficult to generate an income after his goods were confiscated by the government.

Hiwot said that she had found the skills of business planning, market survey and customer attraction the most useful. She had recorded the number of customers over a two week period and had calculated what she would need in expenditure per month (most regulars pay their bills at the end of the month) and she had also started to save. Her increased business awareness also meant that she had reduced unnecessary expenditure. She was currently making a profit of 2000 birr (£165) per month, ten times her previous income. Although this declined to 1000 birr per month by the time of the third visit, it was still five times that of six months previously. She had been able to buy a second video deck and an electric pan for baking *injera*, costing over 2000 birr. With 50-70 people watching the video every evening, this brought in a net daily income of 40-50 birr, which was additional to what she earned from serving meals. She was planning to offer a wider range of meals to attract more customers and would like to open a second canteen.

This is an interesting case. Hiwot was the only woman in the group to realise a significantly large increase in income. He husband started working full time in the canteen and acted as cashier. According to the researcher, he was gradually taking over control of the business and at the time of the final visit he was only giving her 100 birr (£8.30) per month pocket money and told her to spend more time with her son. Despite this, Hiwot still considered herself in charge and was proud of the fact that she had created a job for her husband.

Of the remaining five women, two (Enanu and Worknesh) had met with severe misfortune in their business, in that they had both taken out loans to buy horses (one had one horse, the other two) to rent out daily to cart owners. All three horses had died of a local disease. This had left both women in a state of shock.

Enanu was 24 and had had ten years of schooling. She had been psychologically affected by witnessing a mass killing when she was a student. Her husband had left her after four years of marriage, taking all the savings that they had. This included the profits from her work selling grain by the roadside (an illegal activity) which she would buy wholesale. She had built this up slowly into a reasonable business. In May she had taken out the loan to buy two horses and for a short while they generated a good income for her of 15-19 birr per day. Out of this income she had constructed a house with a barn for the horses. However, shortly after the researcher's first follow-up visit, both horses had died. Around the same time, she had to deal with the additional blow of seeing her house demolished by the municipal council because she had constructed it without an official permit. She told the researcher that this was the hardest time of her life. As she had also neglected her grain business while renting out the horses, she had lost her regular customers and it was not easy for her to pick this up again. At the end of the research period, she was making a small income from selling grain in small quantities by the roadside.

Workenesh, who also suffered the misfortune of losing her horse, had like a number of the other women, had a very hard childhood. Aged 28 now and married with two daughters, she had been five years old when her mother died. At six, she had been taken by her drunkard father to work as a maid in Addis Ababa and for ten years he would come once a year to collect her wages. She never again saw her four brothers or visited her home village. She never went to school. Her first husband also proved to be worthless and spent his time on 'secondary' habits such as smoking, drinking and chewing *chat*. She divorced him and remarried, this time to a man who respected her and cared about her. She ran a small 'kiosk' in their house and then bought the horse with a loan from her CBO which provided her with a good income for the short time it worked for her. Although she was severely affected by its death, by the time of the researcher's second visit she had recovered her confidence and had been able to pick herself up from disaster with considerable success. By applying market research, she calculated that there was a good income to be made from making *berbere* and *shro* (two types of sauces). As the price of vegetables had gone up considerably, people were turning to these sauces as a cheaper accompaniment to meat. She had also expanded her small shop. She had become more confident because she realised she was able to get herself out of a crisis. Her husband who belittled her at the time of the horse's death now respected her because she was expanding her new business.

One woman who failed completely to make a profitable business after the training was **Tsegereda.** She was a 30 year old divorced mother with six years of schooling and a 13 year old son, and was selling home made bread at the time the field work began. She had previously worked in a factory until the aunt with whom she was living was murdered by her (the aunt's) husband, an attack in which she herself was wounded and hospitalised. She then took to selling vegetables which was profitable for a while until too many people became engaged in this activity. So she turned to making home made bread for sale. However, the researcher commented that she longed for an office job and was not motivated or energetic about developing a business. In fact, most of the loan she had taken from the CBO had been spent on visiting her family in the countryside. After the training, she continued selling home made bread but in addition she started recording her income and expenditure. She then realised that she earned about five birr (£0.40) per day net profit, which would be more than she would receive in an office job. This made her change her attitude towards working in the informal sector and at the time of the first follow-up visit, she was confident about developing her productive activities. However, by the time of the second visit she had abandoned selling bread as it was unprofitable during the fasting period and she had turned to basket making; this proved to be even less profitable, and, according to her, was looked down upon as being the work of 'old women'. She had taken to renting out two rooms in her house (which was illegal as it was rented from the district administration) so as to be able to repay the loan to the CBO. Once she was able to access a new loan she would return to selling home made bread.

Another married woman, **Etaferahu**, who was 37 and had six children, continued to sell bread bought from a wholesaler by the roadside throughout the research period, but with declining confidence in her ability to make a living in the marketplace. She was illiterate and had never been to school. **Zewdie**, a married woman of 40 with five years of schooling and five grown up children, had started selling sugar, coffee, gelatine and soap from her house just a few days before she received the training. She had used the CBO loan to set herself up in this activity. She was more fortunate than most of the other women in that she was a shareholder in a *chat* company and received, like Tsehay, a monthly dividend of 500 birr, which was spent on household consumption. Over the period of field work, she continued with her small business without experiencing much increase in income. She did however show some business acumen by converting an old table for table tennis, and making a small income from local children who paid a fee to play.

Although two of these women (Zewdie and Tsegereda) did show some evidence of trying to use the skills acquired during the training, they were unable to move into a new business or expand their existing one, whether due to poor judgement, lack of business acumen or motivation is not clear.

4.3.2 Findings

The field work, and in particular the use of the Matrix, clearly documented a range of benefits experienced by the women as a result of the training, which had a direct impact on their economic activities. At the same time, it documented a range of constraints which served to reduce this impact. The impact of the training on the women's economic activities, as identified by them during each of the researcher's visits, are summarised below, highlighting benefits and constraints.

At the time of the first follow-up visit, all the women were more conscious of the need to engage in market research, to draw up a business plan for a new or expanded venture, and to record daily income and expenditure. All but three women (Enanu, Worknesh and Hiwot) had, subsequent to carrying out some market research, shifted their activities to either diversifying their business (e.g. turning a bar into a canteen), concentrating on selling more profitable items (e.g. *injera*), or buying in bulk for retail sale (e.g. grain), hence increasing their income. Three women (Zinash, Etsehiwot and Tsehay) had made significant changes as detailed above and been quite successful in increasing their income, while four (Etaferahu, Tsegereda, Meriem and Zewdie) had modified their practice to a certain extent and in so doing had increased their income, albeit marginally. All seven women who had made some changes had experienced increased income and savings. Although Hiwot had made some changes, especially in making the food more attractive for customers, her income had decreased because she worked in a Muslim area and it was the fasting month of *Ramadan*.

All the women had developed a more positive and more confident attitude towards business, and felt sure that they could generate a better income as a result of applying the skills acquired during the training. Some of the women reported that household members had also changed their attitudes towards the women's work. Three husbands (Eterafu's, Meriem's and Hiwot's) started actively helping, and all expressed pride in what their wives were doing. Etsehiwot, the single woman, also got more active support and encouragement from her family (and her sister-in-law had opened a canteen). These four women considered that their status in the household had increased considerably. Tsehay, who lived with her sister and ten year old daughter, also got help from her sister as her business expanded, and both expressed their pride in her.

According to the researcher, the skills cited as most frequently used were: market research, followed by business planning and customer attraction. All the women had attempted to record income and expenditure but they found it time consuming and difficult. Only one woman, Tsegerada, was recording it regularly and, ironically, she was the least successful of all the ten women over the research period.

Two women, Zinash and Tsehay, felt that their status in the community had increased directly as a result of being more successful in business. Tsehay had been elected to the chair of her CBO, which she attributed directly to her business success. Four women saw no change in status in either the home or the community; these were Enanu, Worknesh, Tsegereda and Hiwot, none of whom had experienced any increase in income at this stage.

By the time of the second visit two months later, seven women had continued to see an increase in income, although in the case of two women this was marginal. These latter were Meriem, who had changed her economic activity completely and was buying fresh produce from a nearby town for sale to regular customers, and Eterafu, who had slightly increased her income by selling bread by the roadside. The other five women were doing well.

Etsehiwot's shop was expanding and she was now selling wholesale. Hiwot's and Tsehay's canteens were also expanding, Hiwot's quite spectacularly, providing her with ten times her previous income. Zinash was doing well baking *injera*. However, three women had experienced a decline in income: these were Enanu and Worknesh, whose horses had died, and Tsegereda, who had switched from selling bread to selling baskets. Zewdie, who was facing competition from a large shop which had recently opened in the neighbourhood, also experienced a slight decline despite diversifying her activities. Of these ten women, two (Meriem and Zewdie) were showing flexibility in being prepared to change direction if opportunities offered themselves and two others (Etsehiwot and Hiwot) had showed considerable business acumen.

The women appeared to think more carefully before they engaged in new activities, new products to sell, or expansion of the existing business, and to plan their time better, trying to make time for planning and market research, and to socialise and rest. Some husbands and other relatives offered support. Meriem's, Hiwot's and Eterafu's husbands continued to help, while Zewdie's husband, who was retired, also started helping. As Tsehay now had two canteens, her sister was helping. Etsehiwot's family continued to be supportive.

Five of the women who had experienced an increase of income (Meriem, Hiwot, Tsehay, Zinash and Etsehiwot) all considered that their status in the home and/or the community had increased. There was improved nutrition for the family. The other five (Etaferahu, Tsegereda, Enanu, Worknesh and Zewdie) did not perceive an increase in status, and in the case of Tsegereda who was making baskets she saw a decline (making baskets is a last resort, when nothing else is available; it is for old women).

By the time of the third and final visit, two women had continued to see their income increase sustained, despite the depressed market. These were Hiwot and Etsehiwot. Enanu and Worknesh were both recovering from the loss of their horses and starting to make an income again, Enanu from selling grain once more and Worknesh from selling sauces. Worknesh was in particular doing very well, having identified a profitable product. Zinash continued to see a small increase, while Zewdie's income had also started to increase again. She was proud that she was able to survive in the face of competition from much larger merchants. Tsehay's income had stayed the same, as had Tsegerada's and Eterafu's. Meriem's income had declined considerably because she was ill, and she had had to give up her new business indefinitely because of this. Some women had shown flexibility in their response to the volatility of the market by entering new activities or adjusting on-going ones (Tsehay offering meat dishes in her canteens, Worknesh selling *berbere* and *shro*, and Etsehiwot importing cooking oil).

Again, the women who reported an increase in income also thought their status and confidence had increased. Others did not report a change, except Tsegereda, who actually reported a decrease because she was making baskets which is considered a very lowly activity. Two women reported that they have more control over the time they gave to their business: Zinash was better organised and employed two people to do a lot of the work and Etsehiwot had stopped selling breakfasts.

Overall in this seven month period, all but two of the women had made use of some of the skills acquired during the training course. Etaferahu (selling bread) and Tsegereda (selling baskets) appeared unable to apply what they had learnt. On each visit, the researcher asked the woman which skills they still remembered from the training, and which they practised, ranking them in order of frequency. The skill of market survey was found to be the most useful and the most practised, i.e. what goods can best be sold in this market, who the buyers are and who the competitors might be. The second most frequently practised was the skill of customer attraction (presenting items attractively), especially by those who sold cooked food and bread, and third came business planning. One woman started recording her income and expenditure at the start of the research period (Tsegereda), with another starting later and also carrying out a sales forecast over a two month period (Hiwot).

4.3.3 The Group 2 women

These ten women had received their training in April 1997, and were interviewed in October 1997 and June 1998. Of the ten, only three made significant changes to their economic activity as a result of the training (one changed location rather than type of activity) and saw a significant improvement in income as a result.

The impact of the training on one woman was immediate, as her account reveals:

> *Before the training, I had no work. During the training session, the trainer asked us to present our future business plan (what we want to do in future). When replying to the question one of the respondents explained her plan, to sell breakfast. Immediately after returning home before the end of the training session, I went to the market and I bought all the raw materials needed as discussed here and in the morning I prepared and started selling to customers.*

She then expanded the business to serve lunches and dinners as well as breakfasts, and by the time of the second visit, her income had doubled to 200 birr per month on the basis of five regular and 15 irregular customers. She said that she had found business creation the most useful part of the training.

The second woman had applied the skills of selection and marketing and had changed the site of her activity (selling *berbere*, a local sauce) to another town about 200 kms from Dire Dawa. She was making a good profit there and was able to give her mother 100 birr a month to support the family. She was also able to rent a house in this town, returning home only at weekends to buy ingredients and make the preparations.

The third woman, who had been selling home made bread by the roadside which was an unprofitable activity (generating only 2-3 birr income per day), decided to rent a shop and start a new business. She considered that the training had given her the confidence to do this. She had found the skill of market research particularly useful. She had recently added the sale of vegetables to her other retail goods because the profit was good at that time. By the time of the second visit, her net monthly profit was 100 birr. However, she had experienced a set back because she had had 2500 birr stolen. This had obliged her to take out a new loan. However, she was recovering from this loss.

Another woman was able to increase her income, but not so much from changes in her business but from changes in household circumstances. She had got a part-time job in a language school and her sister had taken over running the shop (selling bread and retail items) for her. Another sister had got married and so this was one mouth less to feed. She contributed 50 birr of her salary per month to household expenditure, which released more of the income from the shop for re-investment in the business. She said she had passed on the skills acquired during training to her sister, especially market survey and customer attraction, and continued to help her. However, she wanted to have salaried employment.
Of the remaining six women, three did not change their economic activity nor increase their income. One was selling grain by the roadside illegally; she saw the lack of a legal market place and lack of capital as the main constraints to her expanding her business. Another was making *tella*, a local beverage, operating in a saturated market where women did not compete against each other but took it in turns to produce. Her income had declined. The third was selling *berbere* (a local sauce) again in a saturated market; this was a time consuming product to make and so expansion was not easy. She said that credit had helped her re-start this business, but the training had had no impact.

Three women stopped their businesses completely. One woman had bought a sewing machine after the training and having carried out some market research had started sewing mattresses and blankets. However, she had to abandon this due to ill-health. Another was also sewing but stopped to become a full-time housewife (no reason was given). Interestingly, however, she said that the training had made her more 'quality-oriented' and she had made changes in her husband's shop to attract customers, making it brighter by replacing the corrugated roof with plastic sheeting and arranging well finished clothes in an attractive way. She advised her husband to concentrate on producing good quality clothes, even at the expense of quantity. The third was selling *berbere* and *shro* but had also stopped for reasons of ill-health.

Four of the women said they remembered and still practised some of the skills acquired during training. One other said she remembered some of what was taught but needed follow-up/refresher training. It was clear, however, from a comparison of the two groups, that the researcher's regular visits to the Group 1 women had had an impact in reinforcing the skills acquired because on the occasion of each visit she would ask them which skills they were using and which they found most useful. A few expressed a sense of shame if, when she visited them, they had not been able to apply the skills learnt or to expand their business or increase their profit. This follow-up was lacking with the Group 2 women.

4.4 Benefits and constraints

The benefits to these women from the training are clear. It provided them with some basic business skills, with all but one putting at least one skill into practice. It also provided them with the self-confidence to move into new areas and to take risks. As a consequence of using these new skills, one woman had been able to increase her income dramatically (ten times at one stage) and four others to have a reasonable increase. It was likely that a sixth woman (Meriem) would have started making a good income if she had not fallen ill. Even maintaining a steady income was an achievement during the latter period of research, because inflation, the post-festival slump and increased competition and market saturation made it ever more difficult to survive.

Among the Group 2 women, a similar impact was reported. However, the experience of this group, who were trained earlier, is indicative of the problem of sustainability, both in terms of sustaining growth, and continuing to apply new skills which are important for that growth. Of this group of ten, only six remained in business (one had passed it on to her sister) and of these, only three were relatively successful.

However, one can argue that the lack of sustainable success had more to do with the adverse market conditions than to the training per se. Indeed, without the training the women may well have been worse off. However, it is interesting to note that on the whole the Group 1 women, who saw the researcher in some sense as monitoring them, were more successful than the Group 2 women. This suggests that follow-up support and advice is very important is assisting poor women to sustain their incomes.

The women identified some constraints at the very start of the research, during the baseline survey. These were:

- lack of working capital (half the sample saw this as the most important)
- lack of space for running a business (e.g. for a shop)
- lack of knowledge of the market
- lack of time
- market saturation
- lack of childcare facilities
- uncertain markets or circumstances (eg a house built illegally, rented premises)
- lack of a legal marketplace
- lack of shelter when selling (if it rains).

By the time of the first follow-up visit, the women had added:

- lack of rain (which affects the quality and price of grain and fuelwood)
- seasonal variations in income (e.g. in a fasting period those engaged in food production experience reduced incomes)
- relatives (usually female) may have to bear more responsibility for domestic duties and children may be left more on their own

By the time of the second visit, several women said they felt exhausted from the demands of their productive work combined with domestic duties. Working long hours deprived them of seeing their children and socialising with friends and relatives. This highlights the strain on women combining both reproductive and productive roles where other members of the household (particularly men) do not take on a share of the burden. Female relatives usually took on more of the domestic work, but they in turn complained that they were tied to the house. Some men also complained that they were getting less attention from their women who spent very little time at home. Meriem reported that her children missed her and Hiwot wanted to spend more time with her son. Those women who had not experienced an increase in income or who had suffered misfortune (Enanu and Worknesh) experienced some loss of confidence in their business ability and were tempted to be fatalistic.

At the time of the final visit, four women continued to complain about having too much work. Only two women in the group had taken active steps to address this: Zinash had employed two women to help her to bake and deliver the *injera* and Etsehiwot had stopped making breakfasts because she had too much else to do. The vulnerability of individuals and women in particular working in the informal sector, who have nobody to substitute for them, was exemplified by Meriem who fell ill and had to abandon her activities just as she was beginning to do well in a new business. The seasonal fluctuation in the market, with the post-festival period seeing incomes decline, and the economic depression also affected the women's incomes adversely.

It was not possible to assess the extent to which illiteracy might have been a barrier to ensuring sustainable income increases. Of the three women who were illiterate, Meriem had, according to the researcher, the most business potential but she fell ill and had to abandon her new business. Etaferahu saw little success, but Worknesh picked herself up from her disaster after her horse died and was making a living in a new line of business. However, only two women ever tried seriously to record income and expenditure, so in that respect literacy was not used systematically.

4.5 Conclusions

There was no doubt that the training enhanced the entrepreneurship knowledge and skills of the trainees and changed their attitude and approach towards running their own micro-enterprises, and in that respect it met its main objectives. Most of the women were seen to exercise one or more of the skills learnt on the course, with market research being the most commonly used. They all changed their attitude towards their productive work and towards themselves; as a result, their management of their productive work improved in eight out of ten cases in Group 1, and five women experienced sustained income increases. The attitude of their families and the community also showed a positive change.

Although at the end of the field work period, the financial gains for the women were not great and in some cases their incomes had dropped compared to a few months before, it is likely that the training had provided them with skills which would allow them to survive better in depressed markets than other women who had not had the training. In particular, they had learnt to be flexible and to respond to new opportunities and seasonal variations in the market, e.g. fasting periods. The majority of the women studied showed considerable entrepreneurial orientation. Interestingly, though, the greatest potential and gains were shown by those women, all relatively young, who did not face interference and restrictions from male relatives and who, as the sole income earner, were highly motivated because of the need to survive. Of the four most successful, Zinash (aged 35), Tsehay (aged 35), Etsehiwot (aged 22) and Hiwot (aged 23), only Hiwot was married and it was significant that by the end of the research period, her husband had taken over almost full control of the canteen. Of the other five married women, only Meriem (aged 27) showed considerable potential. The others did not do well. Yet, in three cases, male members of the household gave more active support than before the training. Conversely, of the unmarried women, Tsegerada (aged 30) did badly.

The training was able to build on the women's existing small business experiences by focusing on practical issues relating to their economic activities and making use of the immediate context in which the women found themselves. For example, Zinash said that she had used market survey beforehand to find out what was in short supply in the neighbourhood, but she had not been sure that she was doing it correctly. The training had confirmed and consolidated her existing knowledge. This poses the question whether it is more effective to provide training to those already operating in the market, as in this case, or to those who have no experience of it as in the Indian case. At the same time, the training addressed not only women's practical needs (earning a living), but also their strategic needs in that some of the training looked to provide them with confidence to see themselves as potential business women able to compete with men. However, it did not facilitate their move into new (male) areas of business.

As for the training experience itself, the training hall was empowering to the women as it was located in a government office and this was the first time that most of them had been in such premises. They appeared to appreciate the formal setting and some told the researcher that they preferred training there to training close to their home or business. For those who were illiterate, it was their first experience of a formal educational setting.

However, the training methodology was somewhat inappropriate for those who were illiterate because at times the participants had to read from the blackboard and to copy (one criterion for participation was in fact literacy but this was obviously not strictly observed). The inability to calculate income and expenditure on paper was no doubt also a disadvantage to the women in their productive activities; however, as noted, not many of the literate women did this.[15]

The link between increased income and increased status was very strong, with the women feeling that they earned greater respect from both their families and the community when they began to look like real business women. The link between increased income and access and control of resources also appeared to be quite strong, with the women controlling their own financial affairs (aided to a certain extent by a culture which did not usually expect men to be involved in work assigned to women). The case of Hiwot was an exception here, with the husband taking control of the canteen's finances. This would support evidence from elsewhere that when women's income increases are small, they continue to exercise the same level of control over it; but when significant gains are made, men start to take over. However, the link between increased income and increased household decision-making was much less clear; although the men were usually very appreciative of what the women were doing, and in some cases were actively involved in the business, there did not appear to be any great shift in power and authority within the household. (In the Indian case there was no change at all, in Sudan and Peru very little).

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[15] ACORD has conducted a number of surveys to enhance its understanding of the impact of the training it offers. In one such survey, two CBOs were compared, one successful and the other facing difficulties. Both CBOs had received a wide range of training inputs. One of the main conclusions drawn was that the impact of training is determined above all else by internal group dynamics, such as the level of cohesion and trust between members, the existence of a team spirit and the degree of homogeneity in terms of age, sex, educational and social background, economic status etc. It also found that level of literacy was a factor in influencing ability to transmit lessons learnt to the group. Women's CBOs are clearly at a disadvantage here but this may be offset by the high level of cohesion within female CBOs. This conclusion is relevant to the group dynamics found in the Indian case study (source: Angela Hadjepateras, ACORD)

The link between training and credit was also clearcut in this study: the women would not have been able to apply the newly acquired skills without having the credit to put into a new or an expanding business. Likewise, the data showed clearly that in all the cases where there was an increase in income, this was the result of the application of new skills.

As already noted, the effectiveness of the training depended on many factors beyond the women's or the household's control. These included access to sufficient credit (all these women held loans from their CBOs but they were very small), stability and size of the market, existing employment opportunities, government policy on small businesses, and security of premises from which to conduct business (e.g. Tsehay was worried that if she was too successful the owners of the two canteens which she rented would either increase the rent or take them back to run themselves). The economic situation in Dire Dawa was not good in the latter stages of the research, as documented above, and this had a negative impact on the women's already low and unstable incomes.

As the researcher noted, the market tapped by the women was prone to saturation:

> *Poor women with limited skills and opportunities enter into a business which in most cases is an extension of their domestic work. These are related to the sale of cooked foods, drinks and small shop items. As most of the women engage in these activities, it creates market saturation.*

She observed that the women's micro-enterprise culture of Dire Dawa is one in which one woman copies what her neighbour is doing. The purchasing power of people in peri-urban and shanty town areas is weak and this affects the viability and potential profitability of small businesses. Many of the women were engaging in illegal practices, selling by the roadside, brewing alcohol without a licence, operating businesses with over 5000 birr capital without formal registration, building houses illegally and being involved in the black market in *chat*. Such practices make them susceptible to prosecution, fines and the confiscation of their goods, and, in the case of illegal dwellings, demolition. The training provided under this programme was, when combined with credit, effective in providing a significant number of women with slightly improved livelihoods and an element of empowerment but it did not raise them out of poverty.

Chapter 5: Women's Micro-enterprise Promotion in Silk Reeling (India)[16]

5.1 Background

This project ran for three years, from 1996 to 1999, with financial and technical support from DFID (ODA at the time) and Intermediate Technology Consultants, UK. It was implemented by two Indian NGOs: EDA (Economic Development Associates) Rural Systems based in Gurgaon, and Chamarajanagara Parish Society (CPS). The former was responsible for managing the project and monitoring and evaluation, and the latter for day to day implementation. EDA is an Indian consultancy firm providing gender-focused management, research and documentation services to NGOs involved in rural development. CPS is a local NGO which has operated in Chamarajanagara district, Karnataka state in South India since 1984 in a range of development activities, especially with women. These include gender sensitisation, the formation and support of women's self-help groups and income generating activities. The village where this particular project was located, Mangala Hosur, is 170 kilometers from Bangalore, the state capital and six kilometers from Chamarajanagara town.

The village is located in a drought prone area with low rainfall. The livelihood of the local population is mainly silk reeling, *beedi* rolling (a local handmade cigarette) and other types of casual labour. Mangala Hosur is a medium-sized village, with about 200 households and a population of 1200. Hindus predominate, although there are also Christians and Muslims. More than half the village are scheduled caste (occupying the lowest rung in the Indian caste structure). As elsewhere, the scheduled castes live in a separate colony, slightly away from the main village. The nearest road is 1.5 kms from the village. There is inadequate electricity and piped water, sanitation and health facilities in the village. However, there is a primary and a middle school (up to 7th grade) and an *anganwadi* (creche).

The main occupation pursued in the village is sericulture, both silkworm rearing and silk reeling. Nearly half the households are engaged in silk reeling as a family based occupation, using hand-operated *charakas* (reeling device). The majority of reelers own one or possibly two *charaka*s but very few own more than two. At the time of the study, there were only two entrepreneurs in the village who hired labourers to operate their ten-*charaka* units. Seasonal variations which affect the sericulture industry allow the reelers to function only on a limited number of days, approximately 150 per year. Reeling is usually carried out between February and March, and between June and September. During the other months, when this type of reeling is unprofitable, the local population, both male and female, find work as agricultural labourers, e.g. in coffee and mulberry picking. Although agriculture is the other main economic activity pursued in the locality, not many people own land. Dairying and livestock rearing are pursued in a limited way. The local government office in March 1998 indicated that 90-95 percent of the population were living below the poverty line.

Silk has provided a traditional employment to rural families, particularly those from the poorest sections of society, for centuries. The skills are passed on from one generation to the next. Women constitute the major proportion (over 60%) of workers engaged in silk reeling. However, few women are independent entrepreneurs. According to the researcher, in the whole of the state of Karnataka there were only four independent female entrepreneurs some years previously (Sitaram, 1993). All public and financial transactions (obtaining loans, purchasing cocoons, selling silk) are carried out by men. Silk reeling requires considerable skill: those women who cannot reel serve as turners, i.e. turn the handle on the reeling device. Reelers earn approximately 30 rupees (40 pence) per day, turners 15 rupees (20 pence). Cocoons are bought locally from a number of government regulated cocoon markets

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[16] Exchange rate (1998) 70 rupees = £1 sterling

and transported to reeling sheds where they are sorted, stifled, cooked and reeled. The silk is then sold either in the local Silk Exchange in Chamarajanagara, or preferably in the Bangalore Exchange where the much larger market attracts buyers and sellers from many regions.

As in many other economic activities, the division of labour disadvantages women in the reeling industry. They carry out the more physically tiring work and remain marginalised as paid labourers, while men manage and supervise the reeling units. Indian women experience difficulties in moving out of waged employment because of a wide range of social, economic and cultural practices that discriminate against their sex, e.g. their lack of access to technology, credit, extension and other support services, their limited ownership of land (to provide collateral for loans), the traditional taboo on women interacting with men outside the family, women's lack of involvement in decision making on production matters, and their lack of mobility which makes travelling to markets difficult.

The project consisted of a combination of training (both formal and informal modes), access to credit and follow-up support. Its long-term objectives were firstly to empower women and enhance their socio-economic status in the silk reeling industry and secondly to demonstrate that women can be successful, independent entrepreneurs in silk reeling. The assumptions behind the project were that:

- greater gender equity in access to, and control over, income is an important development objective
- women reelers with many years' experience as workers in the activity have the potential to become successful entrepreneurs
- women need particular assistance to overcome social barriers, and gain confidence and experience in business transactions
- direct access of women reelers to the cocoon and silk markets will result in more effective, market-linked, production decisions
- access to income will enhance women's involvement in household decision-making.

(EDA/CPS 1996, p 1)

The more immediate objectives were to develop the women's skills and confidence in managing all aspects of silk reeling and to enable them as entrepreneurs to earn more than 35,000 rupees (approximately £500) a year. This would compare with current earnings of around 8000 rupees (£115) or less from seasonal employment as waged labour in reeling and would require an increase in annual reeling activity from about 150 days as at present to 200 days. In addition, it was anticipated that enabling women to have direct access to the cocoon and silk markets would allow them to make their own production-related decisions and have more control over their income. In turn, this would enhance their role in decision-making in the household and community as well as increasing their mobility and self-confidence. It was also hoped that this approach to women's micro-enterprise promotion which sought directly to empower women economically and socially would be replicable in other economic sectors.

To qualify for participation in the programme, women had to be part of one of the *mahila sanghas* (self-help groups) which CPS had successfully set up in 22 villages in Chamarajanagara district. These groups run thrift and savings (rotating credit) schemes. When the programme was initiated, the local self-help group of 48 women in Mangala Hosur, which appeared to be the most active[17], was asked to select its ten 'best' members for training; the criteria were that they should be experienced reelers or turners, either working in household reeling units or as paid labourers in other units, that they had an interest in taking up entrepreneurial tasks and activities, and that their families did not object to them joining the programme. They would act as role models for others in the village, with the promise that the remaining members of the group would receive training. The group of ten women who are the focus of this study (Group 1) are the second group to be trained. Those trained in the initial round constitute the Group 2 women, i.e. those who would be interviewed at the start and at the end of the field work period.

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[17] This *sangha* had raised 7000 rupees (£100) by the start of the project, charging loans to its members at 18% interest.

It was recognised that the women's male relatives needed to understand the aims of the programme and to support the women's involvement if it was to be successful. Their male relatives were therefore invited to meet with the two NGOs to discuss the programme, the reasons for undertaking it, the changes that their families were likely to encounter and ways in which they themselves could contribute to the women's success. All the men expressed their support for the programme and for their wives/sisters.

5.2 The 'orientation' programme

This training and support programme which was called *Spurti Kriya Saphalathe* (literally translated as Inspiration Action Success) sought to target the very poorest illiterate women in small villages in the area and to provide them with the necessary means to become micro-entrepreneurs in an economic activity in which they were already engaged (in this case reeling). According to the project proposal (EDA/CPS 1996, p1), training programmes for women have tended to be urban-based, to assume that participants are literate and to have primarily a technical and/or business content. They usually consist of a short 'one-off' training component with very little if any follow-up support. The designers of this project considered that technical and business training was insufficient to support these women in micro-enterprise activity because it did not address their marginal status in society or break down the cultural barriers which serve to restrict women's participation in business. The intention therefore was to overcome these barriers by providing the women not only with formal training but also with an extended period (12 months) of informal support in both financial management and marketing as they went about their business.

The programme sought to move away from conventional concepts of training and can be considered as particularly innovative (see **5.2.1**). According to the programme designers, it should be considered more as 'an orientation' towards micro-enterpreneurship in silk reeling because of its multiple, interrelated and open-ended components, than training in the narrow short-term sense. It sought to facilitate rather than to train. The more formal component of the programme, which was delivered in blocks over a 28 day period, was linked to informal training inputs in the form of exposure visits to familiarise the women with silk reeling as an industry, 'escort services', and follow-up meetings and NGO visits. The escort services were provided by a male NGO worker who would accompany the women on each transaction to the cocoon market[18] and to the Silk Exchange. The aim was to help the women to gain confidence in their ability to become independent entrepreneurs, to control and manage their business and to participate effectively in the cocoon and silk markets. Marketing skills were seen as crucial to the women's success.

The initial training was intended to be very intensive, lasting 28 days spread over five weeks in training periods lasting four days with 1-2 day breaks in between each period of training. It would then continue informally with the escort services and would link into the weekly *sangha* (group) meetings and other visits by NGO personnel. The training programme was also tied into a loan agreement which allowed the women to purchase a *charaka* and establish a reeling unit in their homes and to access regular loans as working capital to purchase the raw material (cocoons) for processing. Silk reeling is an activity which involves relatively low investment costs (1400 rupees for each *charaka*) but has an extremely high working capital requirement to cover the costs of the raw material which account for more than 90% of total operating costs.

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[18] With the second group to be trained, the women of the first group were expected to take over the task of accompanying the women to the local cocoon market as they already had experience of bidding and this reduced project costs. However, the NGO worker continued to accompany the second group to the Silk Exchange in Bangalore (see 5.2.1).

The pattern of production followed a five-day cycle: taking it in turns, two women in the group would go to the nearby cocoon markets on a daily basis to buy cocoons for the whole group using working capital provided by CPS. These cocoons would then be distributed among the members. Reeling would be done individually over a period of three days and then pooled (three days of reeling for each group usually produced 30 kilos of silk). Two women would then sell the silk in the Bangalore Silk Exchange on the fourth day accompanied by the NGO worker. On the fifth day, the account would be settled with the NGO (including 14.5% interest on the loan), minus 100 rupees (£1.40) per woman to cover labour and husk (fuel) costs. A new loan would then be made available to the group so that they could buy more cocoons. Records of these transactions, including how much each woman owed, were made by the NGO. It is important to note that at the same time as taking these loans, the women were expected to continue saving at least one rupee per week since they were members of a *sangha*.

This was a project that sought directly to empower women in a very real sense: the NGO insisted that the reeling licence be in the woman's name (and hence the unit belonged to her), that the purchase of cocoons as well as the sale of silk be carried out by the women, and the loans/working capital were made available only to the women. Other tasks associated with reeling, where there was no stipulation that the women had to do them, were sometimes carried out by men, e.g. purchase of husk, sale of jute (a by-product of reeling), hiring workers from other areas. The project was particularly daring in that it sought to create a reversal of roles: the women became the owners of the reeling units, their husbands the employees (even though neither men nor women saw it as such).

Although it was intended that the two groups of women would follow the same pattern of training and engage in buying and selling on the same basis, this did not happen in reality. The first group of women followed the full 28-day course in September-October 1996, including an eight-day residential component at the start, and then set up their enterprises in January 1997. This was despite the fact that the loan promised by the Small Industries Development Bank of India (SIDBI) had not yet materialised (EDA and CPS provided the initial capital). The second group started their training in May 1997. However, this was interrupted after only two days of the formal residential component as a result of two factors: the continuing delay in accessing the SIDBI loan and a drought which resulted in half the group leaving the village to look for agricultural work. They did not return until November, when the silk reeling season had started again. It was only then that they set up their reeling units. Further opportunities for formal training were complicated by the sudden death of one of the principal trainers in December. The informal aspects of the training, however, (the exposure visits, the escort services and the meetings) took place as planned.

In one other respect, the two groups did not conform exactly to the project requirements. With the first group of women to be trained (Group 2), one woman dropped out and was replaced by another woman, who had not attended the formal training. In Group 1, due to the shortage in funds, only eight women were selected initially to take part in the scheme and attended the (curtailed) training course. However, two women were added to the programme later because the NGO realised that to qualify for another loan to assist the women, this time from the government programme entitled *Development of Women and Children in Rural Areas* (DWACRA), there had to be ten women in the group. In a third case, a mother replaced her daughter who had been trained because the NGO was worried that the daughter would leave to take up salaried employment as she had completed secondary school. In the event, this did not happen and the mother and daughter worked together in the reeling unit. However, these three women who missed the first part of formal training did take part in the April 1998 two-day refresher course, which was laid on partly to provide those who had missed out with some exposure to training.

The fact that some women had not received the initial training caused tension among the Group 1 women throughout the research period, whereas this was not noticeable with Group 2, despite one woman not having been trained. The women in Group 1 who had not been trained felt that they were being undermined by the others and seen as less competent - despite the fact that one woman was an experienced reeler and (exceptionally for a woman) held a reeling licence in her name.[19]

The field work in India was carried out by Dr Shashikala Sitaram during the period October 1997 - July 1998. She had attended the two day residential course for the Group 1 women in May but was unable to carry out the baseline survey until October/November 1997 (just before the women started their silk reeling enterprises) because half the group was absent, as explained above. She subsequently visited the women four times at two monthly intervals, spending approximately half a day with each woman. She also interviewed the chief trainer and the EDA training officer. The Group 2 women were interviewed twice, at the start and end of the field work (in October and June). Because of the pattern of male dominance over all matters in the household, male members were frequently present during the interviews, which may have prevented the women from expressing their opinions or the facts of the situation fully.[20]

5.2.1 The training process

This 'orientation' programme was targeted at a) providing basic business skills (bookkeeping, profit and loss accounts etc), b) marketing skills and c) motivation and confidence building. The women and their families were expected to be fully familiar with the technical skills of silk reeling and so training in these basic skills was not included. However, technical aspects related to the business dimension of silk reeling were included, such as how to assess the quality of cocoons and how to store them.

The formal training component took place at CPS headquarters as a residential course, which was a completely new experience for the women. For the first group to be trained (Group 2), this meant that they had almost no contact with their families for eight days. It was decided to make the course residential because meetings held in the village were always disturbed, with women arriving late or leaving early, or being interrupted by children. Further, it was hoped that being together for so long in the same place would create cohesiveness in the group and make them more open and communicative. Indeed, this appeared to have been the case. Sessions on entrepreneurship development, the qualities of an entrepreneur, confidence building, motivation and gender awareness were held during this part.

The methods used were determined by the two NGOs, having evolved from experience on similar courses. They involved a great deal of group activities. Preparation for the programme had included a workshop with three experienced female reeling entrepreneurs who advised on what skills and support the women would need. As the course progressed, however, it was adapted to meet the participants' expressed needs. The first group to be trained were able to help shape the training for the second group. Timing of the course was in part determined by the women's expressed preferences (May was a low season for silk reeling and so a suitable time for training).

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[19] The field work revealed that in some ways these women functioned just as well as the others, despite not having attended the first block of training. This raises interesting questions about the value and necessity of training all members of a group and about informal peer learning. It also complicated the analysis of the impact of the training on the women's enterprises somewhat.

[20] The researcher reported that many of the women were tongue-tied when first interviewed, unaccustomed to being addressed directly by a stranger. Their husband or other male relative would often have to prompt them and they would continually look to him for approval or reassurance in what they said. The researcher reported that over time, in part due to continuous group interaction, most of them gained remarkably in self-confidence and became much more articulate.

This formal component of the programme used a new approach to entrepreneurship development which they called 'informal psychoanalysis'. This started with a 'defreezing' session when the women were encouraged to share their problems, to talk about their successes and failures, their aspirations and apprehensions. The women were asked to introduce each other, to ask questions like 'Why are we here?', 'What is our relationship to one another?' and to discuss their motivation to be part of a self-help group. Games played included musical chairs (to break the ice and test their entrepreneurial qualities), a game using a rope (to stress the importance of group solidarity), and a game with a piece of chalk (to teach them entrepreneurial skills of courage, confidence and determination). The broader aim of the games was to help the women to understand themselves and each other better, to build group solidarity and communication skills and to raise issues of goal setting, risk taking and problem solving. The games were supplemented by role play, discussions, elaboration of case studies, storytelling sessions and deriving lessons from watching TV and films. For the first group there was the opportunity to meet established women entrepreneurs, for the second group there was interaction with the previously trained group, who could act as role models and resource persons.

Everyday, at the start or end of the day, or in breaks between sessions, there would be work with simple mental arithmetic and practice in writing numbers; later, calculations for operating a reeling unit were also practised. The evaluation team noted that the women showed remarkable agility in carrying out mental calculations, as did the researcher.

The informal components of the programme consisted of:

- Exposure trips: these included visits to cocoon markets and Silk Exchanges to familiarise the women with buying and selling; visits to twisting and weaving centres; trips to different sericulture pockets in Karnataka and neighbouring states, where different types of silk were produced or different technologies used, and areas where the silk fabric is woven, etc.

- Escort services: this was an important part of the training programme and constituted a novel form of 'on the job' training. In recognition of the women's lack of experience in marketing and the socio-economic barriers which operated against women generally, a male NGO worker would accompany two women at a time to the nearby cocoon market as well as to the Silk Exchange in Bangalore. The aim was to build self-confidence in the women and to provide them with advice and support in the various procedures which have to be followed at the markets. This arrangement held for 12 months with the first group to be trained. In the case of the subsequent group, members of the first group took over the role of 'escort' for the newcomers when they went to the cocoon market to make their own purchases. Consequently, the NGO worker only accompanied the Group 1 women to the Silk Exchange.

- Follow-up: regular follow-up visits by the NGO staff to the village and weekly meetings of the *sangha* were considered essential to identify problems, resolve conflicts and reinforce group solidarity and discipline.

The Group 1 women who received the second and shortened period of formal training were exposed to all the above informal inputs. They went on exposure visits prior to the start of training, including two visits to local cocoon markets in the company of members of the previous group.

The weekly *sangha* meetings could also be considered as part of the informal training programme. These were led by a female CPS worker and, at the insistence of the Group 2 women, the two groups met separately. For the Group 1 women, these usually took place on a Friday afternoon and lasted about two hours. They were well attended. The original intention was that they should be used to impart skills of bookkeeping, literacy and numeracy, awareness of silk quality parameters etc. However, as the issue of debt and income loss on the silk sales became more urgent (as is explained below), the focus came to be on savings and why the women needed to continue saving while incurring debts. Other community and family matters such as health, sanitation and nutrition were also addressed, and most significantly as time passed by, they became an important forum for conflict resolution. Some meetings were devoted totally to this, in one case dealing with the possible expulsion of a member of the group who was accused of being particularly quarrelsome, and of talking about the group's problems to others. Minutes of these meetings were kept both by the NGO and by the women (by the one literate member in each group). Minutes of 36 meetings between June 1997 and June 1998 were recorded for the Group 1 women.

There was also friction from the beginning between the two groups. The women who had been trained first tried dissuading the new entrants because they feared competition: they claimed that they had experienced losses and the scheme was not worth joining. They were also concerned at the increase in their expenditure as they had to pay the costs of the new trainees when they accompanied them to the cocoon market (which raises ethical questions about the provision of training in which one group is asked to contribute to the training of another group).

At a later date, it was decided to run a 'refresher' training course primarily for the Group 1 women. This took place in April 1998. The decision was taken in the context of the obvious tensions within this group (not nearly so significant in the first group). It would also be an opportunity for the women who were not trained earlier to be exposed to some of the concepts and information presented during the earlier course. Like the earlier course, this was residential and was held at the NGO headquarters. The first day was spent with the Group 1 women focusing on aspects of group building – leadership, coordination and motivation. They were joined by the Group 2 women on the second day, when issues of reeling productivity, profitability and earnings were discussed.

Hence, the vision of training projected by this programme was one that was on-going, flexible to emerging needs and changing circumstances, broad-based in the skills it transferred, and providing awareness raising and confidence building components.

5.2.2 Benefits of the training

Views on the benefits and outcomes of the training were obtained by the researcher from the chief trainer (who was also the founder of CPS) and the EDA training officer, as well as from both groups of women. In the opinion of the chief trainer, the outcomes were clear in that the women had acquired a range of skills and abilities which allowed them to engage in the silk industry as reeling entrepreneurs. He enumerated these as being:

- motivation to become entrepreneurs
- communication skills
- ability to judge quality in cocoons and silk
- some literacy and numeracy
- savings (the concept and goals of self-help groups)
- empowerment (having increased their bargaining power)

He considered that the objectives of the training had been met in terms of making the women self-confident, independent and involved in both decision-making and in purchasing and selling in the market. In terms of motivation to become entrepreneurs, the training had obviously had a very powerful impact on them (as is also confirmed by the women themselves in the interviews). However, he was of the opinion that they needed continuing support and follow-up training because they would become easily demoralised when faced with problems.

At the same time, he acknowledged that there were many constraints to women making full use of the skills acquired on the training: the age-old male domination, family structure, division of labour with the entire workload falling on women, their lack of decision-making power at all levels, were all barriers to women reaching their full potential. For example, in the cocoon markets, male dealers invariably raised the price of the cocoons when women were bidding, resulting in a decrease in their profit.

The EDA training officer saw the likely outcomes of the training as:

- greater awareness, self confidence and mobility in relation to the economic activity
- direct access to (increased) income earned and responsibility for loan management
- as a result of the above, an enhanced role in household decision-making and greater gender equality within the home
- ability to cope independently in case of a crisis.

A wider impact would depend on the extent to which men in the community accepted a new role for women. On constraints to women making full use of skills acquired through conventional training, she cited these as: insufficient motivation stemming from very strong culturally determined gender barriers, lack of opportunity to practise new skills, lack of follow-up, and training that does not match existing capabilities. The current approach to training would hopefully overcome these.

The two groups of women were themselves articulate as to what they thought they had gained from the training when interviewed on the first follow-up visit. This included:

- awareness of how the reeling industry functions
- awareness of the need for quality silk
- awareness of the importance of training
- skill at identifying quality cocoons
- skill at calculating prices (mentally)
- familiarity with the different counters in the Silk Exchange
- greater mobility
- group solidarity/trust among members of the group
- increased confidence, boldness (especially in talking to men and dealing in the cocoon and silk markets), self-respect (especially in handling large sums of cash for the first time)
- increased economic and social status (being no longer treated as a paid labourer or 'coolie'), leading to increased family well-being and support from husband and other family members.

Their views of these benefits changed over time, as will be seen below.

5.3 The women

5.3.1 The Group 1 women[21]

All the women in the sample were Hindu, except two who were converted Christians. All of them were extremely poor and subject to a wide range of discriminatory practices because of their caste and sex. Although they lived in government provided houses, these were devoid of furniture and all but the most basic utensils. Their lives were very precarious – if they did not earn, they did not eat. They also worked long hours. If they worked for a reeling entrepreneur for wages, this would be on average for eight hours a day. In addition to this, they had household chores which included fetching firewood and water (at 2-3 kms distance), cooking, washing and cleaning. If they worked in family based units, their productive and domestic activities would overlap. Daughters or other females in the household would help out with domestic work. The men, who might readily assist with reeling work, would not offer to do domestic work. In this way, the women only had leisure time if they were not involved in productive work.

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[21] These women's names have been changed to protect their identity.

In the Group 1 sample, the women were aged between 20 and 40. Only one woman of 22 was not married. All the married women had children, the oldest woman had four, the others one, two or three each. In some cases an older child was married and living elsewhere. Two of the women were co-wives (married to the same man). Many, if not all, of the women's families were related by kinship.

Prior to the training, all the women were working intermittently as labourers in the silk industry, either as reelers (skilled labour) or turners (unskilled labour). Even during the good months for reeling, most households did not work regularly. All but one of the women confirmed that they spent all the money they earned on food for the household, with the exception of the small savings they were required to make as members of a *sangha*. One (a co-wife) said that she saved ten rupees a day.

Most of the adult men in the household either worked as reelers or as agricultural labourers, but this work was also irregular and some were unemployed at the time of the training. Most thought it was beneath their dignity to work for anyone in the village and they would look for work outside. Two operated as reeling entrepreneurs, one being the husband of one of the women who joined the group later (and who held a reeling licence in her name), the other was not running the unit at that time. Two husbands were unemployed because of impaired sight and ill health (one was an alcoholic). All children over the age of about ten appeared to do some work. Only one household owned some land but all had some livestock (goats, chickens, sheep) and one had a cow. Livestock was essential to their survival in lean periods, as was observed during the research period.

The major burden of providing food for the family appeared to lie with the women, especially where the husband was unemployed or irregularly employed. They were required by their poverty to buy small quantities of food daily, often on credit at high rates of interest, and could not usually take advantage of cheaper options to buy in bulk.

Of the ten women, only the two youngest had had any significant education. Both had completed 10th grade. When the 20 year old Puttamma left the village for six months after the initial training (see below), Rajamma, her 22 year old sister-in-law, was the only remaining educated member of the group. She was therefore made secretary of the group and was responsible for doing their calculations, keeping the accounts and taking minutes of meetings (she was replaced by Puttamma when the latter returned). One other woman had had two years of schooling. This lack of education was in contrast to the Ethiopian Group 1 sample where seven out of the ten women had had some schooling, the Sudanese study where five out of the ten Group 1 women had had some schooling and another three had attended either Koranic or literacy classes for a short time, and the Peru study where all the informants, both male and female, had at least completed primary school.

In most cases the husbands were also illiterate. However, all the younger children of school going age were in school or in a creche. The older children had also had some schooling.

Household assets, including the house, any land and the reeling unit, were all registered in the name of the man. Livestock could be owned by both men and women, and in this sample some women owned livestock bought with a loan from DWACRA. Otherwise, small savings and jewellery were the only assets owned and controlled by the women. However, in five cases the women's jewellery had been pawned. The woman would not be able to sell her jewellery without the husband's permission.

Six of the households had very large loans; in four cases they amounted to 20,000 rupees (£285) and although these had been taken out by the husbands (and one brother), the burden of repayment appeared to rest with the whole family, which included the woman's earnings. As the men were often unemployed, it was frequently the case that what the woman earned was the sole income in the household. As indicated, the woman's income would be spent on food for the family and the husband's 'luxuries'(e.g. cigarettes and alcohol), while any income earned by the man would be spent on other items such as school fees, transport etc. Six women had also taken loans from DWACRA, usually of 1000 rupees (£14) and mostly to buy livestock; these had been repaid and the women had taken new loans for the same purpose. There was no indication whether the other loans had been repaid. The July 1998 fifth six-monthly report by ITC and EDA comments that :

> *The development environment is continually affected by wild political promises. In most areas, people have the idea that loans – when they are from nationalised banks to the rural poor – may not have to be repaid.*
> (ITC/EDA 1998, p9)

The women's level of involvement in household decision-making was negligible. All important decisions were taken by the closest male relative (the husband and, in the case of the unmarried woman, the brother). Women's daily decisions were restricted to the domestic sphere, in particular what to cook and what food to buy (but husbands or children went to the market to buy the food as instructed by the women). Joint decisions would only be taken on the education of the children, on whether a child should be sent to work and when he/she should be married. The women's mobility was also restricted, with two women reporting that even decisions about visits to friends or relatives were made by the closest male relative. All the women had to obtain permission from their male relatives before they could attend the NGO training.

Significantly, however, only one woman in the sample expressed a desire to have a greater role in important decisions such as the sale of a house or land. The others did not wish to have, or did not think it appropriate to have, a greater say.

Although none of them appeared to have a strong desire to set up their own business at the start of the field work period, they did see that the training offered them the opportunity for greater economic independence and to cease being a paid labourer. At the same time it was recognised that silk reeling is a precarious and seasonal business, and so the women were anxious to have training in other skills such as basket weaving and *beedi* rolling, as these were all the year round activities and hence more secure; tailoring and dairying were also mentioned. Only one woman had no desire for further training.

The women's economic disadvantage and lack of exposure to the outside world had left them with few aspirations. The majority had never been far from the village, and although they might know the month, they did not usually know the date. They could not envisage any great changes ever coming to their lives, not even from the project and their establishment as independent entrepreneurs. Several stated that they saw no change possible; others expressed modest desires, e.g. to cease being a waged labourer, to be more economically independent, to have a better house and clothes or more jewellery, to have more livestock. They aspired for a better life for their children rather than for themselves. All said lack of capital prevented these changes and they anticipated this as being the greatest barrier to success in their new reeling enterprises. Other barriers cited were: the difficulty of women in business, lack of skills, including literacy and numeracy, lack of mobility, resistance from males, lack of confidence, uncertain markets, lack of electricity supply and ill-health in the family.

The following analysis focuses on the Group 1 women, with a short profile of the Group 2 women, who lived in very similar circumstances, given later. The analysis does not look at the changes to each woman's life individually over the research period, as has been done with the other case studies. This would seem inappropriate given that these women lived in the same circumstances of poverty, were engaged in the same productive activity and were organised as a group to receive training, credit and other support from the NGO. What follows therefore are brief details of the lives of each of the women. This is then followed by a consolidated account of what happened to the group over the field work period and the main findings of the study.

5.3.2 Their lives

Sudha and **Mulamma** were co-wives, both of about the same age (35 years old). The former had three children and the latter one, a daughter of four. The husband was apparently already courting Mulamma when his family persuaded him to marry Sudha. Since he continued his relationship with Mulamma after the marriage, which would have made it difficult to find a husband for her, the elders of the village decided that it was best to let them marry. Although the two wives lived under the same roof, they cooked separately and at the start of the field work period did not talk to each other. Sudha did not come from a reeling family and had no reeling skills. However, when her husband stopped working as a result of an eye operation she worked as an unskilled labourer (turner) for a neighbouring entrepreneur for a short time before joining the programme.

Mulamma was the only woman in the group to leave the scheme towards the end of the research period, despite being a very competent reeler, who had worked for years for a neighbouring entrepreneur, and a self-confident person. She left the scheme because she claimed she got no support from other members of the family. The husband was required to help his first wife because she did not know how to reel and the first wife refused to let her own children help the second wife, even though she sometimes used them in her own unit. She herself had to hire a turner to help. So, in the end the deteriorating relationship with the first wife, a sense of isolation, the fear of increasing indebtedness, the lack of support from other members of the family, and the opinion that most of the productive work fell on her (she was a faster reeler than her husband) convinced her that she was better off being a wage earner. On looking back, she said she thought it had all been a waste of time and the other women would only incur more debt by continuing with their enterprises.

Sudha, in contrast, thought enrolling on the programme had brought many changes to her life. Her experience was similar to that of others in the group. The only place she had visited before joining the scheme beyond the confines of the village was Mysore, 80 kms away. She had a very negative view of herself, was tongue tied and reluctant to speak in the early interviews, so that her husband had to prompt all her answers. However, as time went by, she became bolder and more confident, even moving freely around the village. She relished the fact that people paid attention to her now when nobody had bothered about her before. She felt particularly proud about going to the cocoon markets and the Silk Exchange in Bangalore. Whereas before, she knew nothing about the price of cocoons, reeling machines etc and was not interested, she ended by knowing exactly how much had been earned or lost in each transaction. Nevertheless, her increased self-confidence and sense of worth were fragile. She saw herself as a burden because she could not reel and when their circumstances grew worse, she lost much of her enthusiasm and said she was reconciled to being a 'coolie' again.

Bhagyamani was aged 28 and was better off than the other women. She lived with her husband and her children in her father's house, which she expected to inherit after his death. Her father also had a cow which provided the family with milk and this allowed the family to pull through difficult times without migrating to other areas in search of work. She aspired for a good life for her children. Unlike some of the other households, she never allowed them to miss school, even when facing hardship, as she had been a child labourer herself. She only allowed them to help out in holidays and after school hours. In the early days of the project, she was accused of causing conflict between the two groups as she had a close relationship with one of the women in Group 2: she had worked in this person's reeling unit prior to setting up her own. Later, the group chose to blame someone else and elected Bhagyamani to be the president. She also admitted to an increase in household conflict as a result of the project; her husband was always highly aggressive and tried to interfere when the women were sharing out the cocoons or pooling the silk. He was not a reeler and criticised the project openly for bringing them nothing but debts and conflict.

Ningamma and **Dodamma** were the two women who were asked to join the group later and so missed the initial training. The former (aged 25) was asked to join the project because she already had a reeling licence and that enabled them to sell silk while they were waiting for the licences for the other women to be acquired. She was also an experienced reeler as was her husband, who currently ran the family reeling unit. The researcher found her to be a smart and articulate person. Initially, she felt alienated from the group because the others treated her with contempt for not having undergone the training. She was therefore keen to attend the April refresher course so that the others would stop harping on about her 'non-trained' status. Ningamma was of the opinion that there was less conflict between husband and wife when there was more work. In her case, her husband was more flexible than the others; he would substitute for a turner when necessary and also attended to livestock and carried out tasks which were considered to be a woman's. One factor in this was that Ningamma's parents were better off and supportive of her, and she felt that they would safeguard her interests.

Dodamma was 35 years old. It was clear that she only joined the project because her husband insisted. Despite not having attended the initial training, she never felt alienated from the group. She was shy and withdrawn and had difficulty in answering the questions at first. Her daughter had to help her in this. Over time she became a little more forthcoming and articulate. She received no support at all from her husband who, as a relative put it, 'is only interested in dressing up smartly and moving around'. Even during the lean period he made no attempt to find employment as he considered it beneath his dignity to work for others – but it did not prevent him from drawing on the wages of his wife and at times their 12 year old son. It was only when they had their own unit in the house that he was gainfully employed. As the principal earner in the household for much of the time, Dodamma was often required to work as a waged labourer.

Rudramma said she was 25 years old (but as she had a son of 13 it was likely that she was older). Prior to joining this programme, she and her son worked as turners for the same entrepreneur. Her son had left school when he was in first grade and had worked as a turner since he was seven years old. He continued to work even after she started her own unit because she owed the employer money. Her husband worked for a time as a reeler for one of the women in Group 2 (although he would deny it as he did not like to work for anyone in the village) and previously worked in the neighbouring state where reelers earned a higher wage. After Rudramma set up the reeling unit, her husband sometimes substituted as a reeler and helped with other activities such as selling jute, buying husk etc. However, he was addicted to alcohol and gambling and she was openly contemptuous of his failure to earn for the family. He in turn was scornful of her lack of ability in mental calculations. Indeed, her business skills and awareness appeared to be limited. The researcher commented that even by the end of the research period she did not know the price of cocoons, or the number of bags of silk sold so far.

Chinnamma was about 40 and had a grown up son and daughter. She was originally elected as president of the *sangha* but within months she was replaced by Bhagyamani because they considered her as non-cooperative. However, she claimed to have a good rapport with other people in the village. She was the only member of the group to find waged employment when they were unable to access loans to continue their enterprises.

Chinnamma's husband was abusive. He expected her not only to feed him but also to provide 'pocket money' for his other habits (smoking, drinking etc). His abusive behaviour increased after she joined the programme. He would interfere when the women were dividing cocoons and pooling silk, and when she tried to stop him he beat her. In April, when they had been obliged to pledge their houses to the NGO because of their increasing debts (see below), he had tried to drown her in the water tank by holding her head under water. As a result of this incidence, she became ill from fear.

Rajamma, aged 22, was the only unmarried member of the group. Since her father's death ten years previously she had lived with her brother. She was the youngest in her family and the only one to be educated (up to 10th grade). When the silk reeling project began, she was considered to be an asset to the group in that she could maintain the accounts and take minutes of the weekly meetings. However, she knew little about silk reeling and her brother, who was a skilled reeler, was for all practical purposes in charge of the enterprise. She would hand the NGO loan over to him, in the same way as she had always handed over her wages as a turner earlier. When times were good, her situation in the home was tolerable, and at the time of the first follow-up interview she had even been able to buy some clothes for herself. However, whenever they could not operate the unit, her brother became abusive towards her. She claimed that he had beaten her many times, even on one occasion striking her with a copper pot on the shoulder. The fact that she was unmarried posed severe constraints on her movements for fear that the villagers would start to gossip, which would reduce her chances of finding a husband.

The group made many allegations about Rajamma's negligence in keeping the accounts, especially for the silk sales. The NGO worker even claimed that she altered the figures for her own transactions. She was therefore happy when this task was given to her sister-in-law, when the latter returned to the village towards the end of the field work period.

Puttananjamma was aged 40. In fact her eldest daughter had been selected for the scheme, but the NGO insisted that the mother take her place because the daughter was unmarried and was seeking a job. She could not be counted on, therefore, to remain in the scheme. In the event she did not find one and so helped her mother at times with the unit. Puttananjamma had four daughters, of whom only one was married, and her husband did not work because of poor eyesight and alcoholism. She was therefore the only breadwinner in the family. Her husband would nag her constantly about her failure to make any profit out of the reeling unit, commenting on her inabilities, her lack of knowledge and awareness because she was a woman. His wife appeared not to care.

Puttamma left the village soon after the training to stay with her mother until she gave birth. The trainers had considered her to be the best of the group. When she returned in March and was allowed by the NGO to purchase a *charaka* and join the group, she was made secretary in Rajamma's place as she was also literate, having received ten years of schooling. She never went to the cocoon market or the Silk Exchange as by this time the NGO had allowed the men to participate. It was now her husband who did the buying and selling but she had arguments with him over this, as he often insisted on using part of the NGO working capital on other things. This meant she was already indebted to the NGO to the tune of 1000 rupees (£14).

5.3.3 The impact of the project on the women's lives

There is no doubt that the project as a whole, of which the training was a major component, had had a dramatic impact on these women and that it met its intended objectives of developing their skills and confidence to become independent reeler entrepreneurs.

The following section paints a picture of the women's situation at the time of each of the four follow-up visits paid to them by the researcher. The second and third visits took place during the low season for silk reeling and the final visit at a time when cocoons were plentiful and the women working at full capacity.

First follow-up visit

When the nine women[22] were first interviewed in January two months after the two day training, all of them (including those who had not received the initial training) expressed considerable enthusiasm and optimism for their new venture, their own silk reeling enterprise. Shortly after this first phase of the training, the women had all set up their own units with one *charaka* which was purchased out of the loan from the NGO. In most cases they already had a shed (in their husband's name) which had been used in the past for reeling, and they only needed to make some repairs to it and to buy the reeling licence.

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[22] Puttamma had already left.

The system agreed to with the NGO was followed from the earliest stage: two women, one from each group, would take it in turns to go to the local cocoon market and buy cocoons which they would then distribute to the group. Every four days, the reeled silk would be pooled and two women would go in turns to the Silk Exchange in Bangalore with the NGO escort to sell the silk. The income from this was then taken to the NGO office (with 100 rupees kept back by each woman to pay for labour and fuel), the amount of silk sold by each woman registered and interest on the loan deducted. Then a fresh advance would be made. However, despite their optimism, increased income was elusive. In the three month period immediately after setting up their enterprises (November 1997-January 1998), the nine women had made nine silk transactions, of which seven were done under the supervision of the NGO. Each woman had made a loss of 1-2000 rupees (£14-28) on the sale of silk and they had only made a small profit by selling the jute (a by-product of reeling) at a good price.

Observations made by the researcher of the women buying cocoons at the market during this period explained how the loss might come about. The auctioning of cocoons would start at 9 a.m. The women would arrive too late to inspect the lots of cocoons and work out how much they were worth as their male counterparts did, because they had to first collect the loan from the NGO. They then bid for the best cocoons without bothering much about the price, since to them the money came from the NGO and they felt no sense of ownership of it. In fact, they failed fully to understand that this was a loan which had to be repaid. Instead, they were more conscious of the quantity that they needed to purchase as they had to provide the required amount for each member of the group. If they were short, conflict within the group would ensue. In the meantime, the male reelers would hike the price when the women were bidding, by signalling to each other. One male reeler told the researcher that he would had offered two rupees less per kilogram for the quality of cocoons being purchased. It was therefore not surprising that the women were unable to make a profit on the reeled silk. Other factors such as the claim by the women of poor record keeping by the NGO, poor storage and handling of the cocoons and the silk, and the low price paid for the silk that the women had to pool for sale and which was inevitably of variable quality, also contributed to the loss.

However, the women were still confident in the future. All were happy to expand their production and some wanted to have a second *charaka* (through taking out a larger loan). Only Mulamma urged caution and said they should not get too indebted.

The husbands felt obliged by social convention to escort their wives to the bus stop in the next village in the middle of the night when it was their turn to travel to the Silk Exchange in Bangalore, and to meet them the following afternoon. Although they agreed to do this, several were reluctant and only did it because the NGO insisted that it was the women who did the selling. If given the choice, they would have gone themselves to the Silk Exchange (as was customary for men). As it was, after taking the women to the bus in the neighbouring village, they had to return home (a two hour round trip), then go back to the village again in the evening to wait for them. They may have to wait several hours as there was no specified time for the women to return. Not surprisingly, they found this an onerous chore.

In this early period, the women saw many positive changes to their lives. Most importantly, they perceived an increase in their economic and social status, stemming from the fact that they were now earning their own income. Although they had not yet experienced any overall increase in income, they saw this as merely a question of time. The fact that they were working as independent entrepreneurs and no longer as waged labourers was obviously important to them. Their new economic status made them feel that they had more respect in the community and their own self-esteem increased accordingly. They realised that they could do something with their lives. The researcher noted that they became much more articulate and self-confident. They had a sense of security, as they felt confident that they could earn money and provide for their children independently of their husbands.

The increased mobility and remarkable boldness and confidence acquired during training continued in their daily lives. They were moving around the village more freely, even talking to men, and going to the cocoon market and Silk Exchange without their husbands (although they disliked having to do this). Even the two who had not received the initial training in motivation and confidence-building had imbibed these strengths from the others.

Remarkably there had been a reversal of gender roles, at least in the economic arena, in so far as the women had taken over the role of entrepreneur/employer and (some of) the men were now working in the women's unit. This made them in effect her employees. However, neither the men nor the women saw it in these terms; they merely saw themselves as working in the family unit. Three women had hired labourers and were proud to be employers now instead of employees.

In terms of their immediate needs, five women reported that they had been able to repay previous small loans, two that they no longer needed to buy food on credit and they could now buy weekly or even monthly and so save considerably on expenditure. One said she could borrow money more easily because they were now considered as businesswomen. They were able to buy more nutritious food, especially non-vegetarian food. Two women said they had recovered pawned jewellery.

They were also more conscious of time and money, more motivated and they appreciated the importance of producing good quality silk. Now that they were themselves entrepreneurs they had come to realise that hired labourers were not efficient because they did not work hard and they produced poor quality silk (as they themselves had done). They prided themselves on thinking as business women. In turn, they were no longer exposed to abuse and insults from their employers, to not being paid on time or not being paid for over-time.

They therefore had an increased interest in their work and a new sense of responsibility, handling large sums of money for the first time in their lives (up to 35,000 rupees - £500 - when they collected the money from the sale of the silk) and storing large quantities of silk in their houses. They had begun to appreciate group solidarity. Overall the women were happy and contented, even though they were working much harder. One said she dressed with more care, her brothers had bought her some sarees and she was able to buy things for the children. Another said she had bought clothes for herself. One said she could see a future for herself, a path out of poverty - she could have aspirations. On the whole, their husbands and other family members had become very supportive and encouraging; they appreciated the women more. Some husbands assisted in the unit e.g. Ningamma's husband and Sudha's and Mulamma's husband, who had earlier claimed he could not work because of poor eyesight. Sisters, brothers and children also helped, as was expected in any family occupation.

These gains, however, were not without their downside. The women complained of excessive work and feeling very tired. One said she snapped at her children, others that they did not have enough time to do domestic work or eat properly; sometimes they were ill as a result. Despite the extra work, there had been only a marginal increase in income, once the loan repayments were taken into account. Moreover, the establishment of their own units had resulted in increased use of child labour. Some children occasionally had to be absent from school to work as turners or to look after the house while the mother went to the market. In numerous cases, the children worked in the unit for an hour or so before they went to school. One 14 year old boy had to sometimes absent himself from school to help out as a turner, and a nine year old girl had to stay away from school when her mother went to the market so as to look after the house. In another household, both the 12 year old daughter and eight year old son sometimes worked in the unit. In addition, daughters always had to help with domestic work.

Already some conflict was emerging within the group, especially between those who were 'trained' and those who were not. The task of sharing out the cocoons was often acrimonious. The women resented the time they had to spend at meetings, also the fact that when it was their turn to go to the market they had to stop reeling. In some cases there was no one to help out which meant they lost on production. They could not all afford to hire a labourer and in some cases labourers were not easy to find because they thought it was beneath their dignity to work for an ex-labourer. Some women tried to excuse themselves from travelling to the Silk Exchange because of the inconvenience. Another downside was that when their own units were idle, the other entrepreneurs who used to employ them no longer called them to work out of fear that they would be called away to meetings.

Some husbands complained about escorting their wives to the bus in the middle of the night. Other relatives complained that the woman was always working and was never at home. A few husbands were uneasy at their wives' boldness – Dodamma's complained that women have become so bold, they now beat their men! At the same time, however, there had been no change in household decision making. The women were surprised that the researcher even asked the question. Making important decisions in the household was an alien concept to them. As Rudramma said, 'How can this be changed just because I am in business?' And in relation to the reversal of economic roles, Mulamma asked 'Do you think my husband would work if he thought I was paying him wages?'

Second visit

By the time of the second set of follow-up interviews in March, the women were expressing serious doubts about their enterprise, even despair in some cases. Between January and March, only two bags of silk had been sold (compared to nine in the period November-January), with a third bag being hoarded at the Silk Exchange, waiting for the price to rise. Until the bag was sold and the money taken to the NGO, they could not access more working capital and therefore could not buy more cocoons. In addition, when the supply of cocoons became plentiful and cheap again during February and March, they had been unable to buy because the previous loan had now been used up, the director had been away during February and the expected SIDBI loan had not yet materialised.[23]

Some had tried other productive activities, e.g. rope-making from coconut jute, but they stopped after a short period because of lack of profit for what is very time-consuming work. Sudha tried selling cooked food but stopped through lack of customers. Several of the women declared that they were worse off now than when they were waged labourers. Some had had to resort to borrowing money to pay for food, and whereas previously their employers had been ready to provide them with loans, this source was no longer available to them. They reported eating less food once again and of lower quality. Furthermore, most had been unable to obtain work from reeling entrepreneurs, as the latter no longer wanted to engage them. Only Chinnamma had obtained work because, as she said, she had good relations with everyone in the village. Dodamma obtained work as a reeler for just one week. In some cases, the women had found temporary casual work as labourers but on the whole they were idle, bored and apathetic. As one said 'Time weighs heavily'. Bhagyamani was thinking of returning to wage labour because her husband was belittling her all the time. Puttananjamma's husband nagged her constantly, commenting that being a woman she was ignorant and incapable, and resented her involvement in the project. (He had refused on grounds of ill-health to accompany her to the bus). Most of the women were relying on other working members of the family to find work, but it was obvious that little was available.

To make matters worse, the three women who had hired labourers as turners when work in their reeling units was plentiful had not been able to retain them. They had all left, taking with them the advances of 250-300 rupees (£3.50-4.25) which they had demanded at the outset.

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[23] As the researcher was completing this round, a fresh set of loans was made available by the director and the women started reeling again.

While the weekly group meetings under the auspices of the NGO continued, and the women continued to make small savings, as was required of them, they were beginning to feel that these meetings were a waste of time and they were resentful that they were being required to save, even while borrowing to survive. As one woman said 'We have to borrow in order to save'. The meetings had become increasingly directed at the resolution of conflict within the group.

Each woman had requested a further loan from the NGO so as to start up another productive activity but these requests had not been met. And, although the women had saved 2500 rupees as a group (£35), they were reluctant to release it as everyone's needs were so great that they would be unable to share it out equitably. They also did not know how to prioritise its use.

The researcher documented a building up of resentment - among the women towards the NGO and towards others in the group, and among their husbands, some of whom were now regretting that their wives had joined the group. Some men congregated outside the weekly meetings and encouraged the women to argue. Recriminations within the group centred on Rajamma, the young unmarried woman, who had been given responsibility for the accounts. She had been accused of not keeping accurate accounts and of mismanagement (the NGO was also accused of not keeping proper accounts). Chinnamma, who was elected the president, had been replaced since February by Bhagyamani. There continued to be friction between those who had been 'trained' and the three women who had not.

The women were disappointed and disillusioned that being in business had not yielded the anticipated results. Their enthusiasm had gone and some of them were more withdrawn in interviews and had reverted to a fatalistic attitude. Overall, the women saw no changes to their lives (in marked contrast to the earlier interviews when they felt their lives had improved dramatically and for the better). The researcher made the comment that all the women in the group associated change with progress and as there had not been any progress recently, they were unable to see any changes to their lives (even though they were clearly worse off materially). However, within the group were some who felt this was only a temporary setback and they did not regret joining the scheme. Most continued to feel that their status in the community and the household had been enhanced. One woman had even been insisting that her husband tell her what his earnings were! Positive features, however, were rare – one was that the women continued to save according to the project requirements.

Third visit

In April, the two day refresher course had been held but there were mixed opinions as to its usefulness. Some of the women were critical of the trainer, who was an outsider whom they claimed had only limited knowledge of the silk industry. Most had also found offensive his remarks of a personal nature which criticised the way they had conducted their business and their failure to think and act according to entrepreneurial principles. The perceived usefulness of the initial training received was also diminishing by the day.

By May there was real despair in the group. The women had only sold one bag of silk and they had made a loss of 4000 rupees (£57). After this, they did not operate their reeling units because it was the lean season for cocoons and the market conditions were unfavourable. In addition, the NGO refused to give them more loans until the existing debts were settled. Only Chinnamma was working for an entrepreneur. A little agricultural work was available for some but they were unable to leave the village to look for work as they usually did at this time of year because the NGO had instructed them to stay as the SIBDI loan was expected imminently. All had to rely on their livestock and what other family members might earn. In some cases the women and their families were experiencing real hunger. One spoke of borrowing grain from her relatives as humiliating, another said she had to sell her poultry at a low price, she had no money for soap or medicine. Dodamma was in a particularly pathetic condition.

The menfolk were now furious because they and their wives had been forced to sign a bond paper by the NGO as a result of their escalating debt, in which they pledged their houses for 15,000 rupees (£215) in the event that they were unable to repay their debts. Some were nagging their wives constantly, accusing them of having been gullible, knowing nothing about business. They knew that the price of cocoons was hiked by the dealers in the market because the buyers were women. They were also very critical of the NGO, accusing it of not keeping accounts properly and of exploiting the women. The NGO had insisted that only the women could be involved in the project but now they were insisting that the man also sign the bond because the house was owned by him. The male escort was also accused of being untrustworthy. The men continually interfered with the group's activities by assembling outside the meeting place on Fridays, encouraging the women to fight among themselves and participating in the women's arguments when these arose.

Bhagyamani reported physical abuse from her husband because the refresher training course had led to nothing. She was now president of the group but her husband was compelling her to withdraw. It was during this period that Chinnamma also reported that her husband tried to drown her by plunging her head in the water tank. Only Ningamma felt less affected by the negative turn of events regarding the bond paper because her husband had a second house so if this one was repossessed they would still have somewhere to live.

Again the only positive features were that the women continued to save and that some women were not in total despair but were still hopeful for the future.

Fourth visit

By July, the time of the fourth visit, the women's circumstances had changed dramatically. Their signing of the bond paper meant that the SIBDI loan had now been agreed upon. The reeling season had begun again in June with the arrival of the rains and the cocoon supply was plentiful. It appeared to be a particularly good season. All the women were working in their units and remained in the programme, with the exception of Mulamma (one of the co-wives) who had decided to leave the programme because she had no one to help her to reel the silk (her husband having chosen to reel for his first wife). She had returned to being a waged labourer and appeared content with this, bearing no bitterness towards her family or the other women; she thought she was better off than them because they were operating in a volatile market and would never have security. She did however remain a member of the *sangha*.

As is explained in more detail in the following section, in December 1997 the Group 2 women who had started their enterprises earlier had told CPS and EDA at a meeting that they wished to cease operating as a group and to work separately - the collective purchase of cocoons and sale of silk (of variable quality) had not produced good profits. CPS and EDA agreed to this and a new arrangement resulted for the Group 1 women too. Each woman now received 5-7000 rupees (£70-100) as an individual loan, provided that she had repaid the previous loan promptly, and she repaid each loan with interest after the silk was sold. The new arrangement also required the women of both groups to make an additional repayment of 50 rupees (70 pence) each time they made a sale, towards clearing their outstanding debt. Since June, therefore, the Group 1 women started receiving loans individually and no longer as a group. Moreover, the men were now allowed to be involved in the buying of cocoons and the selling of the silk. This meant that in practice the women now went rarely to the cocoon market or to the Silk Exchange. However, some pooled their silk to sell because they still saw the advantages of this, but they did it on a voluntary basis.

At this final stage of the field work, the women's circumstances were as follows:

As it was a good season for cocoons, the women all spent between seven and nine hours a day reeling (or turning). Despite the long hours, all but two (Mulamma, who had already left, and Rajamma, who was upset by the situation) said that they would like to spend more time on silk production. Even where the existing workload was seen as too great, at least it was for themselves. Some husbands (Bhagyamani's and Chinnamma's especially) still helped in the unit and substituted for a reeler or a turner when necessary; other family members also helped. Where a husband could not do the marketing because he was not a reeler and therefore could not judge quality and prices well, they combined with another household e.g. Bhagyamani's with Ningamma's. Despite the reduction of the women's involvement in the business and marketing side of silk production, they were still handling the money for the time being. Only Rajamma, the young unmarried woman, appeared to have lost out in this respect: since they started to operate individually, her brother had taken increasing control of the business. When Rajamma collected money from the NGO, she handed it to her brother. He gave her nothing and she always had to ask him for money. She told the researcher that he did not at all like the idea of being employed by her and he considered that he should receive not only wages from his sister and his wife (Puttamma had now returned to the village and had been allowed to join the scheme) but also a share of the profits. In reality, she had no power at all but she did not appear to be upset by this situation.

The women's income had also improved. By the time of the interviews in July, those continuing in the programme had made between three and five transactions, on each occasion paying 50 rupees to the NGO against their outstanding loan as per the new agreement. All the women with the exception of Mulamma (who had left the programme) had repaid part of their loan, the lowest figure repaid to date being 200 rupees and the highest 1200 rupees. However, the women still had significant levels of debt, several owing as much as 5-6000 rupees (£70-85). All of the women had still managed to save. Sudha, Bhagyamani and Rudramma commented that they no longer had to borrow to buy food.

They were relieved that they no longer had to go to either the cocoon market or the Silk Exchange – they had always felt uneasy there in the presence of strange men. Several talked about being more at peace, calmer. They also expressed satisfaction that, because they did not have to engage in purchasing and marketing activities, they had more time to concentrate on producing silk, and they only needed to go to the NGO office every 7-10 days. This also meant that the burden placed on other household members to do domestic work was reduced. Some children expressed pleasure that their mother was spending more time at home. One woman (Ningamma) said that she would also like her husband to go to the NGO office to collect the loan. Three women had also hired new labourers and Chinnamma had built a shed on neighbouring land belonging to her brother-in-law to house the reeling unit (previously she was using the kitchen which was very inconvenient).

Now that the women were allowed to sell silk individually, it was easier to ensure good quality (and a higher price). However, a number of women pooled it with chosen partners so as to get a better price for a larger quantity. None of these arrangements however appeared hard and fast, with the exception of Rajamma who pooled it with her sister-in-law, Puttamma. With loans given individually by the NGO, they could make transactions when it was desirable to them, not when the group decided. With the women no longer operating as a group in accessing the loan, buying cocoons or selling the silk, the major sources of conflict had disappeared and there were fewer recriminations. As Chinnamma said 'There is no longer this "passing the buck" attitude as when times are bad', and the women now felt more responsible for their own production and loan.

The weekly meetings continued, with emphasis still on savings and loan repayments, but also discussion of alternative productive opportunities, in employment or in business, and health and sanitation. The savings which the group had accumulated and which they had not wanted to spend, were now being used as a revolving fund, which the women could draw on.

The husbands were no longer angry and disparaging of their wives. They were particularly happy that they no longer had to escort the women to the bus in the middle of the night to go to Bangalore. Most were happy to be participating in the programme. This relieved the tension in the household, which the women appreciated. In households characterised by male violence (Chinnamma's in particular), the abuse had lessened. Only one husband still appeared angry at having had to sign the bond paper.

Despite the changes in the way the programme was run and the involvement of the male relatives, the women still felt proud that they were perceived by the community as businesswomen and respected as such. Two informants said that there were other women in the village who were anxious to join the scheme now that the men were involved. This increased status in the community and their newly acquired skills in ensuring good quality silk had together given them considerable confidence. In particular they felt more at ease over having large loans to repay and were confident of being able to pay them back. While there was still distrust of the NGO, some expressed appreciation that it had helped them in times of distress and made working capital available to them at a low rate of interest. However, only time would tell whether their enterprises were sustainable and whether they had genuinely been empowered in any way.

5.3.4 The Group 2 women

The background of this group, who had been trained first, was similar to that of the Group 1 women who were the focus of this case study. As with the other group, their households were characterised by poverty, debt and in some cases ill-health and ill-treatment by their husbands. Eight of the ten women were married, one was widowed and one separated. They saw the same constraint to their increasing productivity as being lack of capital, and the same benefits and changes to their lives in the early days. Most received cooperation from other family members. As with Group 1, they grew in self-confidence and motivation, and became more articulate and mobile as a result of the training received and their transformation into entrepreneurs.

This first group had been selected for training because they were considered the most promising and could act as role models for subsequent groups.[24] One woman dropped out immediately after the initial training and was replaced by an experienced reeler. All the others were exposed to the original training strategy, which consisted of 28 days of mixed formal and informal components (as explained in 5.2 above) in September/ October 1996 and began their businesses in January 1997, with CPS lending them the capital and providing an escort to accompany them to the cocoon and silk markets. The agreement was that the escort would accompany two women at a time over a 12 month period.

However, by the time the second group started their enterprises, this first group was already disenchanted with a) working as a group, b) bidding at the market and c) the way the NGO was operating the scheme. The fact that all of them were indebted to the NGO dampened their enthusiasm. This discontent was expressed at the meeting in December 1997 attended by CPS and EDA (referred to above), where the women insisted that the purchase and distribution of cocoons could not be done as a group activity. It was difficult for them to all be free at the same time and the quality of the cocoons purchased varied, as did the quality of the silk produced. The varying quality in the pooled silk resulted in a lower price than if it was of a consistently high quality and so there was little incentive for individuals to produce high quality silk.

Also, the cost of production was increased because two women had to go together to the market because of social conventions whereas only one man need go (whether to purchase cocoons or sell silk); hence the cost of transport and food was higher. It was felt that participation by men would make their enterprises more profitable. They were likely to secure a better price, given that the male dealers conspired to take advantage of the women's low social status and inexperience.

CPS and EDA agreed to the women's request to provide loans on an individual basis. They could see that the women would be more responsible for the money and might cease seeing it as 'wages'. In January, the NGO agreed to loan 5000 rupees to each of the Group 2 women which they had to pay back four days later with interest once the silk was sold. However, the women were either unable to pay back the full amount or to pay it promptly and so in February the NGO decided to suspend all further loans until the debt was settled. In March the group asked the NGO to increase the loan for those who repaid promptly and so six of the women were able to access loans of 7000 rupees (£100). The women also agreed to pay 50 rupees after every bag of silk was sold so as to reduce the outstanding amount owing. At this stage two women opted out of the scheme; one started running a canteen, the other did agricultural labour.

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[24] However, at the time of the refresher course when the two groups came together, the ITC/EDA evaluation team had the impression that the Group 1 women had greater business acumen than the Group 2 women.

This group of women felt that the escort service had been inadequate and inefficient because it had allowed them to get into debt. They insisted later on the NGO worker who escorted them being removed from the programme for misappropriating the funds. They felt they were having to repay a debt which had been incurred as a result of someone else's misjudgement. They were also of the opinion that the NGO's book-keeping (carried out by the female worker) was inaccurate, that wrong entries had been recorded and that they were not told what was written down after each transaction (all but one was illiterate). They also claimed that the record of their savings was not accurate. They were therefore always uncertain about how much they owned and how much they owed. This mistrust made the women realise only belatedly the importance of maintaining their own individual records (and hence of being literate).

Whereas they continued to be ready to be part of a savings group, they wished to operate individually for accessing loans and buying and selling.

5.4 The impact of the training

5.4.1 Benefits

The benefits of the training component of the programme on the women's lives can be summarised as follows:

The women had acquired a business sense, and although by the time of the final visit by the researcher they were no longer using these directly, their awareness of how the silk industry operated and how transactions were carried out would stand them in good stead. Some of them were still going occasionally to the cocoon markets. Rajamma, the unmarried woman, said that she checked on the price of cocoons because she thought her brother might be cheating her. Only Mulamma, who left the programme, thought that everything had been a waste of time.

The women had also learnt how to handle funds and the importance of profit and loss accounts; they were more articulate and expressed their own views on business matters in front of their husbands. The researcher commented on this on numerous occasions, stating that at first many had been tongue-tied and their husbands had often to prompt them or to answer for them. The women had also gained confidence in moving about the village as well as in their reeling activities; even when the men had taken over the business and marketing aspect, they still felt less dependent and more confident than previously. An outcome not associated with the programme was the confidence and readiness of the women to mobilise against injustice. This was illustrated in a case reported to the researcher, where a scheduled caste girl from the neighbouring village was accused of the theft of a saree by an upper caste man, who removed it from her forcibly. Along with other women belonging to self-help groups in the area, they submitted a memorandum to the police in protest, who then launched an enquiry. It was unlikely that the women would have taken this bold action before joining the programme. In this respect, they had gained some political empowerment.

5.4.2 Failures

It has to be acknowledged that, in terms of the project's overall objectives, there were a number of failures. In particular, the changes that were made towards the end of the research period in the way the business was run had reduced the extent to which the women were operating independently of their menfolk as entrepreneurs. In that respect, the project had failed to re-distribute power and to provide the women with their own source of livelihood, thus defeating the overall aim of empowerment. Not surprisingly, the women felt much more at ease with this half-way arrangement because it was less of a challenge to the traditional gender relations in the household and no longer required that they transgress conventional socio-economic practice by buying and selling in the market. The project had neither provided them with a sustained income nor addressed their strategic needs in terms of reducing their subordination to men (see chapter 2).

Even in terms of their practical needs, lack of hands-on experience in business meant that skills taught during the training course were not fully acquired, and their understanding of the mechanics of the marketplace and of finance, usually gained over years of experience at the interface, was poorly understood. The silk industry is volatile, with much fluctuation in the price of both cocoons and raw silk, and it is also highly susceptible to drought. The women, as newly created entrepreneurs, made mistakes. Fundamental was their perception that the 100 rupees which they kept after each sale of silk was a form of wage from the NGO – that they were being employed by the NGO. The fact that everything had to be repaid was not fully grasped. Their lack of literacy skills, which would have allowed them to check how much was recorded in their name by the NGO, would have given them a better grasp of their financial situation. As it was, the system set up by CPS was that there should be a continuous flow of working capital regardless of profit or loss, but it deducted loss if any after every transaction, added interest on the loan, and produced a final figure which included the total owed by the woman. This was not revealed to the women after each transaction. It was not surprising, therefore, that most women did not know how much they owed.

They also did not understand the significance of the price being paid for the raw material (cocoons) on the profits they would get for the silk. When buying in the cocoon market, they were more concerned about buying the required quantity of cocoons so as to avoid dispute when it came to sharing them out in the group.

At the same time, their gender placed them at a severe disadvantage in the market place. The market was totally dominated by men, both rearers and reelers; according to the researcher, there were only 10-12 regular female cocoon rearers who participated at the local market and only 3-4 female reeler entrepreneurs in the whole state. This combination of constraints is well illustrated by her interesting observations of the women bidding at the cocoon market:

> *The reelers (men) at the market function in groups and by signalling to each other – showing signs with their hands – hike the price, leaving the women helpless …. The solidarity exhibited by the reelers cannot be broken either, unless women reelers participate in large numbers. This may happen in due course of time. The question of women being a part of the men's group does not arise at all considering the barriers imposed on them by the rural society. The cocoon market also acts as an important focal point of dissemination of information. The reelers, interacting with each other, gather information on the cocoon prices at various markets in the state and also the price at which silk is being sold at the Silk Exchange. Women miss out on such exchanges as they find it difficult to interact with strangers/men.*

Hence, being a woman in the silk industry undoubtedly incurred higher costs and reduced profitability.

As indicated above, there was also no evidence that there had been any change in the pattern of decision-making in the household. Several women commented that they would not expect any change. Only one woman (Puttananjamma) felt that she made all her decisions independently and that was because her husband was in ill-health and had not worked for a long time. This not only questions one of the assumptions underlying the project, namely that access to income enhances women's involvement in household decision-making (EDA/CPS 1996, p1), but also undermines a major pillar of the micro-finance ideology (Mayoux's 'virtuous spiral', 1999). At the same time, the change in relationship between husband and wife brought about by the programme, whereby the women have become ostensibly the employers and the husbands the employees, was a superficial change – and in fact was not perceived as such by either the women or the men, as has been noted. The reality was that the woman had no control over the man 's work, in terms of whether he worked in the unit or not and for how many hours per day. The men considered themselves as working in a family unit, and not at all for their wives. Moreover, when the situation turned bad in early 1998, the men, who had earlier given permission – and in one case insisted – that the women attend the training, were only too quick to blame them and belittle them in front of others, and in some cases they became violent. In general terms, their behaviour towards the women was determined by how much income they brought into the household.

On this project, therefore, setting the women up as independent entrepreneurs had not given them more control over income, nor over household decision-making. In contrast, however, the women were clearly conscious of an increase in their status in relation to the community. In the long term, the possibility that there might be similar gradual changes in status at the household level as a result of this 'experiment' in women's empowerment should not be discounted. The women had been part of a bold challenge to the patriarchal structure of their local society and their future lives would never be quite the same.

While the project failed to empower the women in terms of (significantly) increased income, increased access and control of resources, and increased status in the home, it had been particularly disempowering for Rajamma, the unmarried woman. It had allowed her brother to increase his hold over the micro-enterprise, her loan from CPS and the income. His wife too (Puttamma) experienced conflict with him over who should control the loan. This supports the evidence from Asia provided by Goetz and Gupta (1996) cited in Mayoux (1999), that micro-finance can disempower women because men use them to access loans, which they then take control of. Moreover, Bhagyamani's and Chinnamma's experiences of abuse provide further evidence that household tension and male violence can increase as a result of women's access to credit.

The fact that the women operated as a group also contributed to their reduced effectiveness in the silk industry. As the researcher has clearly recorded, the actions of the second group were plagued by conflict. They were at loggerheads ever since the programme began, unlike the first group. Many reasons were cited for this: the fact that three members of the group had not received training, that the training was inadequate, that the first group tried to discourage them by saying that they had lost money etc. Not surprisingly, these conflicts had an influence on their business dealings, as well as on their own relations within the group. Dissatisfaction and suspicion towards the first chairperson and the secretary led to them being held responsible for the group's difficulties. Conflict usually manifested itself when the women had to decide on their turn to go to the cocoon market or the Silk Exchange (which they all disliked doing), when dividing the cocoons among themselves and also while pooling silk together. These conflicts were fewer while the transactions were made directly under the supervision of the NGO, as in the first six transactions (which made a profit). When the NGO decided to let the women take this responsibility, the men also interfered, with for example the weight of silk produced by each of them becoming the subject of conflict. The Friday meetings were increasingly used to try and resolve these conflicts. The men made matters worse by assembling outside the meeting room, encouraging the women to fight among themselves and actively participating when arguments did ensue.

The decision to support the women as a group rather than individually would appear to have been rational. The women already operated in self-help saving groups. The need for a minimum amount of silk (about 30 kilograms) to be accumulated to make a viable sale at the Silk Exchange meant that it was impossible for the women to operate as entrepreneurs alone. However, the fact that the silk was pooled meant that differing qualities were mixed and there was no advantage to any woman working particularly hard to produce a high quality product. This encouraged some women to be negligent.

5.5 Conclusions

This case study raised a number of very important issues relating to training for empowerment among the poorest and the most vulnerable. It shows that the benefits of well conceived and delivered training can be undermined by a number of negative factors: in this case, continuous conflict between members of a group, where the group is the unit of support; hostility from men who feel threatened and marginalised by a project strategy which only deals with women, and once the anticipated benefits are not forthcoming are able to sabotage the project; over-ambitious goals which rapidly lead to disillusionment, especially when the promised support is not forthcoming or is not regular[25]; and the difficulty of bringing about radical change of attitude and behaviour in a very short period of time.

While the formal training was effective in raising the women's self-confidence and motivation to become entrepreneurs, it fell short on sensitising them, and the men, to gender issues. The gender dimension became lost in the effort to deal with other issues. The training did not provide the women with sufficient strategies to overcome their disadvantage as women; providing a male escort to accompany them to the market did not change fundamentally the way they were treated. With hindsight, efforts should have been made to raise awareness of gender issues among the male relatives and to secure their cooperation throughout the project period.

This project failed to empower the women to any significant degree; it left them with a much greater level of debt at the end of ten months than at the start of the project, and this debt was owed to the very organisation seeking to help them. Even the income that they were generating as entrepreneurs at the end of the research period would not be sustainable once the NGO withdrew its support. One has to question, given the very low level of income that they earned before setting up their own reeling units, whether it could ever be raised to a viable level to support the whole household.

Finally, this case study has a cautionary tale. Projects which seek to help the poorest and the most vulnerable are making interventions in very fragile livelihoods, with people for whom it may be a difference between subsistence and starvation. This project, with the best of intentions, almost tipped these women and their households over the edge of survival. There is great risk in involving the vulnerable in innovations as 'experiments', where the outcomes cannot be predicted.

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[25] The original project proposal specified two *charakas* per household were required for the desired income to be achieved; the women only received funds for one. There were also numerous delays in accessing the loans promised them.

Chapter 6: Small-Scale Food Processing Training (Peru)[26]

6.1 Background

This project was part of a programme of support for small scale technology development provided by Intermediate Technology (IT) Peru. The project operated between 1993 and 1998 under the title 'Small-scale Food Processing Training Facility Project', with funding provided by DFID (then ODA), the European Commission and the CODESPA Foundation, a Spanish NGO. It was run from three training centres based in Lima, Cajamarca and Huancayo. Although the project has now finished, SENATI, a large national semi-private organisation specialising in training and support for business management, has taken over some of the technologies developed and is offering training courses in these areas.

Peru's economy in the 1980s went through a period of serious decline brought about by guerilla violence, rampant inflation (an average of 2406 percent during 1982-1992 according to Creevey 1996, p 24), chronic budget deficits, drought, and a decline in the value of its commodities. One consequence of this was a mass influx of population from the rural areas into the towns, so that Peru now has 70 percent of its population living in urban areas. Another was the huge growth of the informal sector, as people failed to find jobs in the formal economy. The informal sector is estimated to account for 33 percent of the economically active population. Successive governments have tried to support the development of this sector, in particular through legislation to facilitate the development of micro-enterprises and improved access to credit (Rodriguez et al 1998). The last decade has witnessed some years of economic stability and social order, and the country is now thought to be on the road to recovery.

As in the other countries featured in this study, women in Peru have on the whole less access to formal education and to formal and skilled employment than men. They also earn less than men on average and have a limited decision-making role within the household.

This case study examines training provided by IT Peru in Lima and Huancayo. Lima, the capital city, has a population of 6 million. Huancayo, a much poorer town, lies in the central Andes and has a population of over 200,000. Because it is linked to the capital by a major highway (one hour's drive), it is a principal source of food for Lima.

Given the large size of the informal sector and the upturn in the economy, the 1990s saw a growing interest in agro-processing technologies. IT Peru has worked for a long time in developing activities in food processing through training and technological assistance to small producers. Between 1989 and 1991 it implemented a UNIFEM-funded project developing food processing alternatives in three areas of Peru, targeting women producers in particular. This involvement led to the identification and development of ten different technologies and over 35 different products which were suited to small scale producers in food processing in different parts of the country. After a pilot phase in 1992, the Small-scale Food Processing Training project began.

The long term aims of the project were to encourage employment, increase incomes and promote the economic development of low-income sectors in Peru through the development of small food processing enterprises. In the short term it aimed to provide training and technological assistance relating to production, marketing and management in such enterprises. Women were targeted in particular. The training was intended both for those who wished to start up a new line of productive activity and for those who wished to expand an existing one. IT Peru implemented the training course in collaboration with INPET, a local NGO specialising in management training and assistance, and FOVIDA, a local NGO providing credit among a range of services. INPET and FOVIDA provided the marketing/management component of the training while IT was responsible for the technical component. The intention was that the programme would become self-financing and would be taken over by SENATI at the end of the five-year period. This has occurred in part.

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[26] **Exchange rate (1998) 5 sol = £1 sterling**

A range of courses in small-scale food processing technology were taught within the programme. The most popular were in the production of: ice-cream (which accounted for a quarter of all courses run), chocolate, pickles and bottled fruit, fruit juices and spirits, yoghurt, sweets, wines, snacks, bread and cakes. This study only looked at courses in fruit processing (concentrated fruit juice and bottled fruit) which were being run in Lima and in bread making, run in Huancayo.

In some cases, training was requested by local organisations. The two courses covered by the study were provided at the request of FOVIDA and FONDEMI, another local NGO, and were intended primarily for poor women. Eligibility for credit was often dependent on individuals following this training.

According to Rodriguez et al (1998), between 1993 and 1996, 809 people had been trained on the project, of whom 35 percent were men and 65 percent women. Of those trained, 50 percent were micro-entrepreneurs, 36 percent extension workers, and 14 percent came from women's groups. However, the 1996 evaluation showed low results of the training. For micro-enterpreneurs (50 percent of those trained), 19 percent had increased sales and/or improved product quality, 9 percent had become (new) micro-entrepreneurs and 60 percent had acquired some knowledge but had yet to put it into practice.

6.2 The training

The following description of the training courses is taken from Rodriguez et al (1998).

The total duration of the courses varied from 18-30 hours, usually spread over 4-6 days and each with an average of 15-20 participants. Courses consisted of two parts: a technology component, which accounted for two-thirds of the training time, and a management component, which accounted for the remaining one-third. The general outline of each course was as follows:

First module
Presentation of technology
Description of processing flow
Practical demonstration

Second module
Marketing aspects
Group formation
Practical production

Third module
Final product quality control
Evaluation of the results
Determination of the sale price

The first module was designed to break down barriers and establish a dialogue among the participants, which facilitated the sharing of individual experiences. All the written materials were given out during the first session so that the participants could easily follow the different aspects of the course, more easily understand demonstrations and familiarise themselves with the production processes being taught. At the end, the trainer would give a practical demonstration of how to make the product.

The second module would begin with marketing, in which the results of market studies and surveys were presented to the participants. These provided up-to-date information on opportunities for introducing or improving their products. This was complemented by exercises in which groups of four to five have to find solutions to specific marketing problems. Then, small groups made the product under the supervision of several technicians. Many of the practical training sessions were carried out in local small enterprises (e.g. bakeries and dairies). This enabled the participants to watch a profit-making business in action and to discuss opportunities and constraints with successful entrepreneurs.

In the third module, the manufactured products were evaluated by group members. Particular attention was paid to aspects relating to quality control, hygiene and equipment handling. In addition, the costs and sales price were determined from the price of raw materials, inputs and services available in the area.

After monitoring the first two years of implementation, when results were found to be poor, it was recognised that some participants needed individual follow-up (termed 'technical assistance' in this project). This was introduced in 1995 and constituted what we have termed in this study 'informal training'. It is similar to the informal business advice provided on the Sudan programme. In the Peru case, it aimed to help resolve specific problems relating to technology and production experienced by the individual micro-entrepreneurs and to provide additional information and advice.

6.2.1 The training observed

The research was carried out by Nora Cardenas during the period October 1997 to August 1998. Training in two technologies was given: the first being the manufacture of concentrated fruit juice and bottled fruit and the second bread making. The former courses lasted four days, the latter three, with each session lasting approximately four to five hours. These usually took place in the afternoon and evening, as the participants were busy working in the mornings. In contrast to the Ethiopian and Indian studies, this training focused more on technical skills (70 percent of the input) than on business skills. Both courses were held in November 1997. The baseline survey was carried out over the same period. It was followed by three visits, made between February and August 1998.

In addition to the interviews with participants, the researcher interviewed three trainers/training officers (two female and one male) from IT Peru, who taught the fruit processing and bread making courses, and one trainer (female) from FOVIDA (the credit organisation) who taught the marketing/management course, and one other (male) trainer who taught an introductory session on basic marketing. She also observed and commented on a total of five training sessions spread over two courses on fruit processing in November and December in Lima, and three sessions on a bread making course in November in Huancayo. Brief details of each of the courses are provided below based on the researchers' observations and interviews with trainers.

Concentrated fruit juice and bottled fruit

Two separate courses in fruit juice and bottled fruit production were observed by the researcher, the first in November (two sessions observed) and the second in December (three sessions observed). Both ran for six hours per day for four days and were located in the Surco district of Lima (a district of mixed affluent and slum dwellings). Three trainers were observed, two in fruit processing and one in marketing. The training was provided at the request of the credit organisation FOVIDA, participation in the course being a condition for accessing a loan. Trainees did not pay for this course.

The first course was attended by between 16 women and 13 women respectively on the two days observed and by two men on both days. The second course was attended by 13 women on the first day and by the same number of women and four men on the second and third days. On the first day observed on the latter course, the practical work was delayed and the women started leaving before the end (7.30 p.m.) because it was late. All remained to the end on the second day observed.

Participants on these courses were supposed to have prior experience of productive work, preferably food preparation. It was expected that they were already engaged in running small enterprises, not necessarily because they wished to do so but because there were no formal employment opportunities available. The specific training objectives of the course were to:

- contribute to improved technology to increase income
- provide information about costs, markets and investment
- provide technical assistance (follow-up) where this is requested by the trainee.

Topics covered on the course were:

- the production of concentrated fruit juice and bottled fruit
- hygiene procedures
- use of preservatives
- quality control
- pricing
- market research
- product evaluation.

The researcher observed the participants being trained in fruit juice production only. The training was divided into three parts: the 'theory' aspects of fruit juice production, practical preparation in groups of the fruit juices, and a practical exercise on costs and pricing (dealt with during the second session). The products were displayed and evaluated (according to taste, appearance etc) at the end of the course. On the first day the trainees were observed preparing the fruit juices themselves, using the appropriate measures and ingredients; on the second day they were working out the steps of production and the resources required, and on the basis of this information worked out the cost of each product.
The role of the trainers was observed to be divided as follows:

2 hours	facilitating
1.0-1.5 hours	directing the trainees in practical tasks
10-20 minutes	lecturing
20-30 minutes	demonstrating
10-20 minutes	advising
5 minutes	passing on information

Teaching aids used were paper, printed material (e.g. brochures, instruction manuals) and overhead projector. Items of equipment used were cookers, blenders and bottles. Chemicals (preservatives) were also used along with the fruit and other ingredients.

On the respective levels of participation of men and women, the researcher observed that one male participant was very quiet. Some of the women participated a great deal, asking many questions and making jokes. They showed a great deal of interest. Other women contributed little or nothing. The researcher commented that this was not a homogenous group, some of the trainees had a high level of education and learnt faster than the rest. The trainers also did not motivate the trainees to participate more fully.

The researcher also noted that, with respect to the technical aspects of the training, the methodology was not gender sensitive. There was no particular strategy used to distinguish between women's and men's needs or motivations. Only in the session on marketing was there observed to be some attempt at awareness and confidence building among the largely female group. This session appeared to motivate the women because it addressed personal aspects of business, including business skills, leadership, personal relations, respect for others etc. In the other sessions, the trainers' attitudes and comments appeared stereotyped, stressing the qualities of obedience, hard work and passivity among women.

At the same time, the researcher was doubtful whether the women would be able to make the products being demonstrated because of lack of machinery, lack of practice in using the required ingredients, especially preservatives, and lack of time. Also they were not used to calculating costs; it would take them too long and they did not appear to see it as important.

According to the trainers interviewed (two female and one male), the objectives had been met for the women in the sense that they had acquired the necessary skills and information to produce these items at home. Where these had not been made use of, this could be attributed to:

- lack of self-confidence
- a poor selection of trainees (many were involved in non-food 'quick sale' activities)
- an inability to take decisions and risks
- lack of business aptitude
- insufficient information about marketing (the course should provide more on this)
- the high price of ingredients – the product may be too expensive for the target market
- the husband's lack of understanding of the woman's work
- the lack of access to credit.

The value of the training for women and men equally was seen as being:

- keeping them informed
- giving them knowledge about a product
- providing them with the skills to prepare it
- self-confidence.

When asked if the training of men and of women required different approaches, one trainer replied that with women, you have to make it simpler, follow a step-by-step gradual approach, whereas with men you could move faster because they are already in business and directly in charge of productive activities. Two of the trainers however were of the opinion that these products were easy for women to make, and could be produced at home. As one (female) trainer said 'fruit juice production is a job for women' so they acquire the skills very easily.

Bread making

This course took place over three days in Huancayo in November 1997, lasting five hours per day. Two of the training days were spent in the training centre and the third on visits to local bakeries. There were between 12 and 16 participants on the course, of whom four on the first two days were men. No men attended on the third day. The observer commented that attendance was not regular, and that some participants arrived on the second and even the third day only. The second day of the course finished late and people started leaving, so that only three female students saw the bread finished.

The training had been requested by FONDEMI, a Peruvian semi-private organisation involved in small enterprise development. It was intended to target existing baker micro-entrepreneurs and would introduce them to new types of bread and new procedures. A small charge was levied on participants.

The topics covered by the course were the production of different types of bread and buns (such as those used in hot dogs). Teaching aids comprised blackboard and handouts, while all the usual bakery equipment was available (oven, kneading machine, scales etc). The course was run by a male trainer and two assistants, who gave very few opportunities to the trainees for any practical activity. The trainer spent most of the time demonstrating and giving information and advice. While the bread was in the oven, he explained the theoretical aspects of the course and gave practical advice. The only practical activity that the trainees engaged in was kneading the dough, and even then the women were not allowed to practise kneading with the machine because they were judged as 'not strong enough'. In the researcher's opinion, there was no direction/instructing of the women in practical tasks, no skills acquired and no facilitating or awareness/confidence building. The third day was spent at local bakeries.

The women appeared to be more interested than the men, they asked more questions and were looking forward to doing some practical work. They were therefore upset and dissatisfied when they were denied the opportunity to do this. The researcher commented that the course did not motivate the women at all to start up in the bakery business, a traditional male domain.

The observer's personal assessment of the course was that it had totally failed to meet its objectives, as it was not relevant to the trainees. The reasons given for this were that:

- the group was not an appropriate target group: they were mainly young women (students) who knew nothing or very little about bread, whereas the course seemed to be designed for an advanced level
- the trainer had been unable to modify the course content to meet the trainees' needs
- the bread and buns being made were not appropriate for the market in this area, because the ingredients were not available locally (e.g. for brown bread). Moreover, there was no market locally for this type of bread – the four practising bakers who attended the course were from poor parts of the town and this bread could only be sold to an upper class population in Lima. (The intention of this course was in fact to provide practising bakers with skills in these new types of bread which could be sold in the more lucrative markets of the wealthier parts of Lima).

The trainer himself acknowledged that the course had not met its objectives. It had been unable to respond to the needs of those who participated, because they were largely inexperienced and hence they were unable to acquire new skills. It was only to the four practising bakers that he had been able to give some technical assistance.

The trainer thought that the women would not be able to make use of a course in bread making, even if they did acquire the skills, because they lacked physical strength and they needed to make a high investment. For men too he saw investment as a problem as the costs of running a bakery are high.

6.3 The sample

There were 15 people in the Group 1 sample and 14 in Group 2. This case study differed from the others in that some men had been added to the usual sample of 10 women. In Group 1, five men were included and four in Group 2. The reason for their inclusion was that, in a mixed training setting, it would be useful to investigate the type of impact the training had on women and men respectively, also the type and size of small businesses they were engaged in, and their opinion of the training.

Seven of the ten Group 1 women in the sample attended the training on fruit processing (a traditional female line of production) and three attended the training in bread making (a traditional male line). Of the five men in the Group 1 sample, all attended bread making (though not all were on the course observed).

The ten women in Group 1 were aged between 22 and 59, with half the sample being in their 30's. Six were married, one was widowed, one single and two were single mothers. The men were older, with four of the five being aged 50 to 60. The sample of women was on the whole somewhat older than those in the other case studies. They had also had considerably more education than those in the other case studies, with all having completed primary education and some secondary. There were children in all the households, and all those in their late teens appeared to have completed secondary schooling, while the younger ones were currently in either primary or secondary school. Of the ten women, three had current loans from FOVIDA (two had two loans) and in another three cases there were family loans, taken out in one case by the father, in one by the husband and in the third by the mother (as head of household). Of the men, all had one or more loans taken from a range of organisations (not FOVIDA) and they were much larger than those held by the women. The latter ranged from 500 to 1000 sol (£100-£200), whereas the men's loans were in the range 3000-11,000 sol (£600-£2,200).

In Group 2, there were ten women and four men. The women's ages also ranged from 22 to 59. Only one woman was unmarried. Three of the men were in their 30's, the fourth was aged 42. Of the total of 14, only seven took up production using the technology learnt. Two of these were women, one who took up fruit processing and the other bread and cake making. The others had received training in ice cream, crisps, spirits and jam.

This case study was unusual in that so few of the participants made use of the skills taught on the training. In the case of fruit processing, the low level of take-up was clearly affected by the presence of *el Niño*, which was afflicting Peru at the time. This climatic phenomenon had resulted in fruit of poor quality, scarcity and increased prices. It may have been that at another time, more women would have taken it up as a commercial enterprise. In the case of the bread making course, it was not well targeted (see below).

6.3.1 The Group 1 women

The women who featured in this case study were all poor, living in peri-urban slum areas and earning low incomes. They were however in real terms better off than the women in the other studies, and had a much higher level of education. However, they worked extremely long hours.

Of the seven women in the sample who took the course in concentrated fruit juice and bottled fruit, only two actually made use of the skills learnt and started production. These were Celinda and Lili, and only Celinda started making it for sale soon after the training; Lili made it at first only for home consumption. Significantly, however, neither made it as instructed by the trainer.

Celinda was aged 47 and was married with two sons, aged 22 and 16, who were both studying. She herself had attended secondary school. She currently had two loans from FOVIDA in her name, one of 500 sol (£100) for 4 months and the other of 1000 sol (£200) for 10 months. Her husband, who was a painter and worked irregularly, had also taken out a loan of 4000 sol (£800) with the Bank of Materials to fix the roof of the house.

At the time of the training, Celinda was earning 30-40 sol (£6-8) per day from selling fruit salad and fresh fruit juice in the wholesale market. Preparation and selling would take her 10-11 hours per day. She used her income to pay off her own and her husband's loans and to redecorate the house. She also belonged to a women's organisation.

By the time of the first follow-up visit (February), Celinda was making concentrated juice using a combination of fruits (apple, pineapple, papaya etc) as well as fruit salad. However, she did not prepare the juice in the way they were taught because the ingredients were too expensive and she would not be able to buy preservatives in small quantities. She could not make a profit if she did it in the way they were told. She made the juice in the traditional way, as if preparing a syrup and without using preservative. She actually worked a little less than before because she was able to prepare two days' juice at a time. Despite her success, her income had stayed the same – the price of ingredients had gone up and, although it was a good time to sell juice (summer) she could not raise the prices. Bottled fruit was difficult to make profitable at this time as the price of fruit was high, as a result of *el Niño*. However, she intended to try in the winter.

She considered the training course was useful because it helped her to produce a quality product at a faster rate and she had been able to put some of the skills learnt to good use. Also, despite the generally unfavourable economic circumstances brought about by *el Niño*, her income had remained constant, when it might easily have declined. However, her health was not good; she had to get up early and commute two hours to sell her fruit products in a market where she had regular customers. The researcher thought that she could benefit from some technical assistance (follow-up).

On the second follow-up visit, she was found to be continuing to prepare concentrated juice along with fruit salad but only on sunny days. When it was cold she prepared porridge and rice pudding. Despite the adverse economic conditions, she had been able to increase her net income slightly, by about 10%. She used the profit to pay back her loan as well as her husband's. Although she was experiencing some success, she did not want to work harder because she had to travel such a long way and she had very little time to rest. She intended to continue in the same line of business, hopefully with the help of her daughter-in-law. She recorded her exact profit and loss figures systematically.

Because she was able to work faster, she now had time to attend a leadership training course in the afternoons. She liked taking courses. Her husband did not interfere with her business, nor did he help her. He spent most of the time looking for a job as he was once again unemployed.

The researcher reported that her two sons in particular valued what she was doing and she herself was motivated to earn. By the time of the third visit, she was no longer preparing fruit but porridge and rice pudding because it was winter. Her income had declined a little. She expected to start preparing fruit again next summer and would do bottled fruit as well. She would like to open a shop. Her husband was now helping her more as he continued to be out of work and she was so busy. He would wash his own clothes, do some of the housework, and in the evening if nobody was at home he might do some cooking.

Lili was aged 49, married with two sons and a daughter. She attended school until 4th grade of secondary, her husband completed secondary. She was earning 50-60 sol (£10-12) per day from preparing and selling food (for company orders), selling fish and fried chicken in the street, and selling clothes. She worked very long hours, 13-14 hours per day. Her husband was a casual labourer earning 150 sol per week. Her daughter prepared pancakes, which brought in a small income, while one of her sons was a waiter and the other worked in a factory. With the income she had earned over the years, she had bought a piece of land and was saving to pay for healthcare when necessary. The family had no loans.

Lili was the only other woman in the sample to try producing concentrated fruit juice, but until the final follow-up visit, she had done this only for home consumption and like Celinda without using preservatives. As these preservatives were expensive, she could not include juice in her menus for customers (she was making breakfasts now as well as lunches to order) because the price would be too high. She also said she had been unable to learn how to make bottled fruit because the trainer went too fast. She was however constantly looking for new opportunities. She had recently joined a credit group organised by a NGO to start a yoghurt business.

By the time of the second visit, Lili reported an increase in income to about 80 sol (£16) per day, with one of her sons helping her regularly. However, by the third visit this had declined, to about 70 sol, and she was working fewer hours. She said she had also started making concentrated juice, making 15 bottles every fortnight. She had not used chemicals. She sold everything in one day and considered this successful. She did not however indicate whether she would continue. She commented that her husband had started helping her; he had been out of work for months and, as she was busy, he would wash his own clothes, clean and also help her to slice vegetables in the morning, but only at home where nobody could see him. He said he was embarrassed to be seen working for his wife. As she was the sole earner, and responsible for all the household income, she increasingly took decisions independently. She no longer discussed her business with her husband because he was not supportive.

Of the other five women in the Group 1 sample who followed this course, none took up fruit processing. Brief details of these women's businesses are given and their reasons for not moving into fruit processing.

Dany was aged 33, was married with four children and living apart from her husband. She had completed the fourth grade of secondary school. Once she had accounted for her loan repayments her daily net income was12 sol (£2.40), earned from preparing and selling porridge, corn liquor, cheap stew and rice pudding. This occupied her for 8-12 hours a day. Her income had recently decreased due to competition in her line of activity. She was holding two loans from FOVIDA, one of 300 sol (£60) and the other 700 (£140), for four and six months respectively.

By the time of the first follow-up visit, the FOVIDA credit had allowed Dany to diversify. She had started selling clothes as well as preparing food and sweets, and was doing well. She was selling less food because it was the summer and sales always fell then. She said she had understood the process of preserving fruit from the training but had been unable to start up in this line of activity because it needed a thermometer, scales, tools to measure acidity etc, preservatives and other chemicals. She did not have money to buy these. She would like to do this though. Her income had increased by 20% by the time of the second visit but had fallen again by the third.

Maria was aged 37, married with two sons and two daughters. She had attended secondary school and her husband studied accountancy. They had no loans. In the past she has received training in selling EYBO beauty products and customer attraction. She earned 60 sol (£12) weekly from selling fruit salad and EYBO products, and 70 sol (£14) per month as a beauty consultant working in the afternoons. She worked 9-10 hours per day altogether. She also employed a woman to distribute the fruit salad to schools. Her husband drove a taxi, earning 70 sol per day. With her income she bought household items, including food and clothes for the children, these being expenses shared with her husband. She had recently bought a colour TV.

She said that she had learnt the skills of making juice, but only a little about bottled fruit. She said they did not learn a lot because the trainer demonstrated with his assistant and had no patience with them. After the training, she had intended starting up in this line as a family business because the cost of preparing fruit salad was high and there was a lot of competition. But when she went to buy the ingredients she was told she had to have a licence and council registration. She intended to get a licence and start producing fruit juice. Her husband would help her.

By the time of the second visit, her income had declined. Her teenage daughter had had a child and her husband was very angry. He insisted that she stay at home to look after her children. At the time of the third visit, she said she had tried making fruit juice once with a friend but not for sale.

Eulalia was aged 39 and was married with one daughter and two sons. She had completed primary schooling, as had her husband. She was earning 15 sol (£3) per day from making and selling kebabs, which she did in the evening for 6 hours (6 pm to midnight). Her husband was a baker, earning 150-200 sol (£30-40) weekly. She spent her income on paying the electricity and water, the interest on the 3,500 sol (£700) loan that her husband had taken with the Bank of Materials to build their house, and essential materials for her business, for the house and for the children. She had no loan in her own name.

At the time of the first follow-up visit, Eulalia was continuing to make and sell kebabs for six hours in the evening, but had added porridge, rice pudding and fried fish. The amount of kebab sold had also increased partly because her husband was now unemployed so he helped her in the kebab stall. She also took advantage of the summer season to sell soft drinks on the beach during the day. Her net income had more than trebled to 50 sol (£10) per day. Her husband was very supportive of her work and happy to be independent and 'in business' rather than being an employee. Although she had learnt the skills of preserving fruit, she said she had been unable to start this because the fruit was very expensive and not very good at the present time.

By the time of the second visit, Eulalia had taken out a loan with FOVIDA and used it to expand her business further. Her husband was now working with her full-time. As he was new to the business he was ready to take her advice. She now had a market stall and they also sold from home. They made 140-150 sol per day on the basis of about 10 hours of work, ten times what she had earned working on her own four months earlier. They sold sausages and kebabs in the market in the daytime and sweets and fritters from their home in the evening. She was currently attending a course on 'costs' provided by FOVIDA.

Eulalia was obviously business-minded and the most successful of the Group 1 women in expanding her productive work. She had been doing some market research and would like to open a small restaurant in her house as there were few such places selling lunches in that area. She had decided not to take up making fruit juice or bottled fruit as she said that in winter no one wanted to buy these items and she had been told that the ingredients were expensive. Significantly, she attributed her success to her access to credit which allowed her to open a stall in the market. Also to her husband's help; even though he had been offered some work again, he had declined because he was busy working with her. This was the only clear case in this sample of a woman's status in the household increasing considerably and the husband showing a significant change of attitude towards her work.

However, by the final visit, she had had to leave the stall in the market because she did not have a licence. She continued to sell fritters and kebabs from her house but her income had declined dramatically and her husband was looking for work once more. Her aspiration was to take a fixed stall legally in the market, which her husband could manage; for herself, she would like to have the house decorated and part of it converted into a restaurant. She could continue to sell ready made food from there.

Eulalia's case illustrates once again the uncertain circumstances in which poor women work. She was one of only two women (the other being Hiwot in the Ethiopian sample) to experience a very large income increase, and in her case she had not used the skills she had learnt during training. However, like Hiwot, she had increased her income tenfold with her husband working alongside her. In her case, this profitable fledgling business was curtailed because she did not have the required licence (in Hiwot's case her husband took it over). Likewise, other women in the Peru sample were unable to engage in fruit processing legally because they could not afford the licence and the materials. Without capital and collateral to obtain large loans, poor women cannot afford to set themselves up legally in their own micro-enterprises and are required to operate with the continuous risk of eviction and/or prosecution.

Carmen was aged 43, a single parent, with a son in primary school. She lived with her mother and her brother who was in the army. She had completed secondary school and had studied nursing. She was working as a teacher earning 240 sol (£48) per month, and also earned a small income of 20 sol (£4) per month by decorating balloons and making decorations. She spent four hours a day teaching (plus one hour's preparation) and another three hours decorating balloons while watching TV. She paid the household bills, her son's lunches and school materials, food and materials for her teacher's work. The family had no loans. Carmen was also active in the neighbourhood – she was the public relations secretary of a local women's organisation (mothers' club) and secretary of a local committee on restructuring the neighbourhood. She also attended dressmaking classes.

She said she had thought of starting up in fruit juice production during the summer but she did not have the available cash to start. The material was expensive. She did not want to join a group to buy the ingredients in bulk – she did not like working in a group and she was busy with her other activities. By the time of the first follow-up visit, she was teaching balloon decorations to women in the mothers' club and working part-time as a dental assistant. By the time of the second visit her income had increased slightly because she was making a few dresses for sale. She would like to specialise in dressmaking. By the final visit, though, her income had decreased again. She was continuing to make some dresses but no longer decorated balloons as the market for these had dried up.

Josefina was aged 59 and a widow. Living with her were her two grown up sons, three grandchildren and one daughter in law. She had completed primary schooling. She was working for four hours a day in a church garden. She had already undergone some training, firstly in water growing techniques, which helped her to find the job in the church garden and to grow vegetables. She also attended training with FOVIDA for businesswomen, which taught her about credit, market research, pricing and customers. She had taken out two loans, one of 700 sol (£140) from FOVIDA for six months, to start a restaurant with her son, and the other from the Bank of Materials of 3,500 sol (£700) over five years to repair the bathroom and kitchen.

Josefina said she was unable to use the skills acquired during the fruit processing course; it required a lot of ingredients and materials such as thermometer and scales. These were very technical courses which required working capital to buy the materials. She had not learnt how to make bottled fruit because the trainer was not patient with them. By the time of the second visit, she had stopped working in the church garden and only sold marinated shellfish at weekends. Her income had declined. She had also joined a group of six women at the mothers' club which had accessed credit to start a yoghurt business. She was very optimistic about this. She would also like to open a shop selling shellfish with her son. However, by the third visit, she was not working at all because she had been ill.

Of the three women who followed the bread making course in Huancayo:

Raquel was aged 32 and single. She lived in her father's house together with her mother, four brothers, her sister-in-law and two nephews. She had attended school until 5th grade secondary and had also already attended a SENATI course on baking bread, also another course on dressmaking.

She shared her time between the bakery, her mother's market stall and the house shop, which one of her brothers ran. She spent 6-7 hours a day on these activities. In addition to helping on the production side of the bakery, where her father and one other brother worked, she also kept the records of its income and expenditure. Her contribution to the family income was re-invested in the bakery and helped pay off the family's loans. The mother had taken out two loans, one of 3000 sol (£600) for seven months to install an oven in the kitchen and the other of 5000 sol (£1000) for six months to replace the car. The whole family contributed to paying these off, with monthly repayments totalling 1300 sol (£260).

At the time of the first follow-up visit, Raquel said she was spending three more hours per day in the bakery. She would like to do more but her other activities (the market stall and the shop) and her current health problems (dental treatment) prevented her. The bakery continued to produce the same type of bread and buns, although the amount of buns had increased. Although prices had been pushed up by *el Niño*, the working conditions and household income and expenditure pattern remained the same. They were trying to improve the quality of their products and to advertise, so as to sell to shops in the winter. For this reason, they were buying a van.

At the time of the second follow-up visit, Raquel was even more involved in the bakery, especially baking special bread. She spent five hours per day on this. In addition, she continued with dressmaking and selling in the market. She thought that the most useful part of the training had been the part which dealt with the use of 'improver'. She was now making a specialist type of bread called *chancay*. Production had increased with income reaching 800 sol (£160) per week. The profit was being used to pay for the car. This bakery seemed to be expanding successfully. However, she herself wanted to give more time to dressmaking.

Hilda was aged 22 and lived with her parents, her nine-month old child and her brother of 23. She had previously had some training with SENATI in dairy products, bottling fruit and bread. Hilda considered herself as the manager of the bakery; she also sold bread from home and cleaned the kitchen (used for baking bread). Her father distributed bread while her mother also sold bread in fairs. The bakery employed three master bakers and three assistants, earning a net profit of 43 sol (£8.60) daily. Her father had taken out a loan of 3,500 sol (£700) to expand the bakery with repayment in one month. Her brother had also taken out a loan but she did not know how much. Most of the income went on her brother's studies (mechanics at SENATI) and food for the family.

Hilda worked 12 hours per day in the bakery. Four hours were spent cleaning, which she would like to be able to pay someone else to do. She would like to expand the bakery, turn it into a shop to serve customers on the premises and to sell cakes as well as bread. She saw lack of time, organisation and specialisation, credit and training as the principal barriers. She would like to have training in chocolates, cakes, pancakes, business administration and marketing techniques.

Hilda considered the main problem in the family business as being the master bakers: they were never on time and they did not listen to her as a businesswoman because she was female. They thought they knew it all. However, her parents accepted her suggestions (even if the masters did not) and she was involved in decisions on bread production, hygiene, managing money and sales. As for changes in her life, she would like to have a 'stronger character' so as to be respected by others and to study languages and computing. She considered that a lack of self-esteem and money prevented her from making these changes.

At the time of the first follow-up visit, Hilda reported that they were concentrating more on cake making in the bakery and that the family had opened a shop, with her sister in charge. Since attending the training, she had started to question the way they were doing things and she was producing a variety of cakes. She also baked the special bread taught to her in the training course but only for the family. She had received some technical assistance (follow-up) in cake making and was of the opinion that this form of training was more effective than formal courses and she appeared to have benefited from it. Her income had not really increased but she was working independently for the first time, buying her own ingredients for cakes with the money her father gave her to invest in this. She was also saving so as to be able to invest further in the business. She would like to specialise in fine confectionery.

At the time of the second visit, Hilda was more involved in making cakes and had increased her sales by 30 percent. She spent 3-4 hours per day on this. She would like to learn how to make a greater variety of cakes and distribute them in different places but it was difficult with the housework and her daughter. She used smaller amounts than she was taught in the technical assistance because the product would be too expensive for customers to buy otherwise. She felt that she was involved in decision-making although perhaps she was not listened to sometimes because she was a woman. Her parents appreciated her work more now and took up her suggestions. She felt more self-confident. However, after this visit, she left the bakery to work in a yoghurt business because of a disagreement with her father who would no longer let her work independently and ignored her opinion on all matters concerning the bakery. By the third visit, she had returned and was working again in the bakery, but was not making cakes. She seemed very bitter about her father.

Melva was 33, married with two children, one of seven and another of a year old. She had completed a university degree in engineering, her husband in industrial relations. She was working as a schoolteacher for 430 sol (£86) per month (five hours per day in the afternoon), while he was a taxi driver earning 700 sol (£140) per month. They had no loans. With the income they earned, they invested in the bakery, building an oven and buying machinery. Between 3.00 a.m. and 6.30 a.m. she ran the bakery located near their house and supervised the workers. They had four workers. The master baker was problematic because he did not want to work with recipes and sometimes did not come. The bakery work was therefore very demanding.

She was very critical of the bread making course; she thought it had not fulfilled the group's expectations. It seemed to have been designed to benefit the trainer and his assistant and, although they had learnt something, the ingredients could not be found in this area. So the training was useless and a waste of time and money.

Nevertheless, Melva would like to own her own bakery, but she needed a loan, and it was for that reason that she had taken the training (also to learn new skills and acquire more knowledge). She saw lack of credit as the main problem in developing a business. She would also like training in quality control, chocolate making, cakes and fritters, and dairy products such as yoghurt, cheese and butter.

She would like to have more independence. Her husband's work prevented him from helping her with the housework. She would like to work more in baking and to have more training. She saw her children as the main constraint in this respect. However, by the first follow-up visit, Melva reported that she had stopped working in the bakery due to jealousy and arguments with her brothers-in-law and parents-in-law. She and her husband and children were leaving the area.

6.3.2 The Group 2 women

In the second group of ten women, only two women had taken up the technologies taught them. Both were from Huancayo and had followed the course there (the Group 1 women had followed the Lima course).

Eduviges was 43. Her husband was an electrical technician. They had two children and no loans. She had attended a 15 day fruit processing course in 1994. Before that, she had been making and selling potato starch and bean pancakes. She found this training very useful and having established that there was sufficient fresh fruit available locally and working out that she could make a profit from it, she decided to switch to making concentrated fruit juice. She would buy fruit daily from the local market and make the juice during the morning, with the help of her two sisters. They employed two boys to deliver the juice to schools (to order) in the afternoon where the students would buy it. Fruit was plentiful and cheap in Huancayo, unlike Lima, so they were able to produce a bottle of juice for 0.80 cents (16 pence) whereas it would cost 1.50 or 2.00 sol in Lima. Her monthly net income was 280-300 sol (£56-60). There was not much competition as the Lima product was so much more expensive and not of a superior quality. She had received some technical assistance from IT. She would do the accounts every evening.

Like the two Group 1 women, they were making the juice 'informally' without preservative or machinery; they only used a stabiliser to prevent the fruit remaining at the bottom of the bottle. Despite this, they claimed the juice had a shelf life of two months. They would either buy new bottles or used ones which they would wash carefully. They paid much attention to cleanliness, being familiar with the health risks (especially cholera) of unsafe food processing. There had been no health problems in the schools as a result of their product. Eduviges would like to expand and formalise this business as fruit was cheap and plentiful in Huancayo. The profit was not large but it was sufficient, especially as her husband earned a good salary.

However, by the following November when she was re-interviewed (after the official end of the field work), *el Niño* had made production of juice too difficult. They had stopped in August and had switched to making nougat which they also sold to the schools in the area. She was hopeful that by December they could return to fruit processing.

In the year since she was last interviewed, they had expanded their production and it was more organised. She and her two sisters had been joined by two cousins and they worked alternate shifts to coincide with school times. Those whose children went to school in the morning worked in the mornings and vice versa. She was thinking of employing a girl to do the domestic work so as to devote more time to the business. Before stopping in August, they had expanded from 15-20 dozen bottles the previous year to 50 to 60 dozen now. She did not specify her monthly income but on the basis of the quantities sold it must have been around 500-550 sol (£100-110), nearly double what it was the previous year. She said she would like to formalise the business, using preservatives and obtaining health and safety clearance from the municipality so as to work on a large scale and sell to neighbouring towns. They would do this in six months' time when they had sufficient funds for the certificate. She had not taken any loan to date but would do so in the future when she came to expand. Her husband had also become more supportive, following an accident which had meant that he was without any income for three months. He had started to appreciate what she was doing and to respect her more. He no longer went out drinking with his friends and now helped around the house (even with cooking and laundry). Their children had also benefited and were able to continue studying. She had been able to finish construction of their house.

Eduviges was the only woman in the two groups to make a serious income out of fruit processing. She had done very well and had reached the stage of wishing to formalise the business. Celinda in Group 1 had also shown potential but the unfavourable circumstances at the time prevented her from making a good profit at this early stage. However, it is possible that this line of activity was more suited to Huancayo, where fruit was plentiful and cheap, than to Lima, where Celinda lived.

Zoila was aged 46, married with two grown up children. They had no loans currently. She had had training in 1994 from IT in bread and biscuit making and attended a further course in 1997 to learn about making speciality bread and cakes. Her income has increased somewhat. She had been running a shop selling bread and cakes, soft drinks and sweets before she went on the training. She then took a loan to buy an oven. She would bake cakes twice a week. She also made sweets and titbits for parties. The family was being threatened with eviction from their rented house and they were very worried. She would like to expand, but where they were living at the time was very small and she had no capital to invest in it. Moreover, three new bakeries had opened in the neighbourhood so she was selling less. Her husband was largely unemployed since he had lost his job in a government office as a result of alcoholism; however, he was now working sometimes selling gas cylinders. He was also helping her a little more. He was more supportive seeing that she was able to generate an income.

Of the other eight women in the Group 2 sample, and the four men, five others had used the technology which they were taught. These were: ice-cream, crisps, fruit spirits and jam. They all experienced some small increase in income with the exception of the one producing fruit spirits.

6.3.3 The men

All of the men in the Group 1 sample had followed the bread making course. As already pointed out, they were considerably older than the women, with four of them aged between 50 and 60. The fifth was 34 years old. Four were married, and one was a widower. The comparisons with the women, which their inclusion in the sample permitted, are instructive.

All but one of the men had had some secondary education (one had only completed primary). Some had attended previous courses in bread making. They were attending the IT bread making course to learn new techniques and new types of bread.

All five men owned a family bakery and the equipment used to run it; they were also considered head of the household and owner of the house. One valued his house at 80,000 sol (£16,000), another had land worth 80,000 sol and a third had savings worth 42,000 sol (£8400). One had a car, another a lorry. They had significant assets to serve as collateral when taking out loans. Not surprisingly, their loans were much larger than those that the women had. They ranged from 3,000 to 11,000 sol (£600-£2200) (with one, from a moneylender, for 30,000 sol) and some had repayments spread over two to three years. The women's loans were small and all short term, of a few months' duration.

The wives and in some cases the daughters or sons either helped out in the bakery, or, as was the case with two wives, ran a shop that the husband also owned. One of the men also ran a small removal business. The widowed man, Isaac, was working on his own at the start of the field work period but his son joined him later to work with him in the bakery. All with the exception of Isaac also employed between one and four master bakers or assistants in the bakery. Net income from the bakery was in the region of 45–80 sol (£9-16) per day (gross income around 350 sol). The men worked long hours – one said he started at 11 p.m. and worked 16 hours a day. Competition was tough. They all saw the main constraint to expansion as being lack of capital.

The extent to which they took all important decisions relating to the household and the business varied, but on the whole they appeared to retain overall control of the decision-making process. One man, however, did claim to share everything with his wife and gave her control over all the income from the bakery.

As regards their views on the three day course in bread making, they all criticised it for the type of bread it was teaching them to make. They considered it too expensive for sale locally, where people only paid ten cents or less for bread, whereas it was necessary to charge 35 cents for these specialist breads. Also, they were not popular in this area as people only ate French bread. As Isaac said, 'What we need is training which responds to our needs; we're not against diversification but we cannot put prices up'. The fact that the course was intended to teach them to make specialist breads (as explained in 6.3) so that they could sell them in the more affluent parts of Lima (one hour's drive away) seems to have been lost on them. Two of the men said that they made buns and *chancay* bread as taught but with reduced ingredients as these were too expensive. There was therefore no significant evidence that the training course had helped increase their incomes.

The first follow-up interviews were held at a time when the price of ingredients had gone up considerably (by as much as 30%) because of the effects of *el Niño*. By the time of the second visit, the situation was easing and bread production and income had gone back up to their previous levels (15-30% increase in production but lower increase in income). By the final visit, two continued to see an income increase (but in part due to other business activities such as a shop or bar), two saw their income decline and one saw no change. However, none were optimistic about growth – there was too much competition in bread making, they had to work very long hours, hired labour was unreliable and the price of ingredients had gone up.

6.4 Findings

Of the seven Group 1 women who followed the course in fruit processing, only one (Celinda) had moved straightaway into commercial production on a small scale and one other (Lili) had tried making some juice for home consumption. She later started to produce it for sale. The other five women had not started up in this line of activity, even though they had attended the course with the intention of doing so. The three women who followed the bread making course had found it of limited use. Raquel had found it of some use (learning about 'improver' especially) but Hilda had found the technical assistance more useful. Melva thought it was a waste of time.

Through the interviews, it was clear that a number of the women showed good business potential, most worked extremely long hours and were ready to work even longer if it would increase their income. Some showed considerable business acumen and ability to adapt to difficult or changing circumstances, e.g. Celinda had seen a market for concentrated juice; Dany, despite earning a very small income, had decided to diversify and to sell clothes as well as prepared foodstuffs because she knew that in summer there was a drop in sales of cooked food; she had subsequently seen a small increase in income. Lili was doing well selling prepared dishes to order and clothes (and also trying out fruit juice). Eulalia had done extremely well in expanding her small business from selling kebabs to offering other snacks and foodstuffs. Carmen had gone into dressmaking when balloon decoration stopped being profitable. In bread and cake making, both Hilda and Raquel had tried new items with some success. One of the women in Group 2 (Eduviges) had done well out of making concentrated fruit juice and wished to formalise it as a business. However, only Eulalia, Lili and Eduviges could be said to have been able to develop a proper micro-enterprise with regular customers and a well-defined market for their products. It was impossible, however, to say whether they had used skills in doing this which they had acquired from the management component of the training or from their own experience in the market. The others were largely responding flexibly to difficult market conditions with only short term income in mind.

It is impossible to speculate how many of those women who received training in this technology might have attempted to move into fruit processing if the economic conditions had been more favourable. There was no doubt that the low quality and high price of fruit resulting from *el Niño* was a major deterrent. Eduviges in Huancayo seemed to be less affected by this than the women in Lima. However, it was also the case that the training itself was poorly targeted in that the initial investment costs of obtaining licences, equipment and chemicals were too high for poor women to afford. Only Celinda had been convinced of the feasibility of producing concentrated juice and the others who did try it out did so not in the way directed by the trainer but according to a 'traditional' and presumably illegal set of procedures. On the bread making course, all the participants included in the sample, both female and male, considered that the type of bread being taught was inappropriate for their area and only Raquel and two of the men had tried producing any (and only buns and *chancay* bread) for sale in the bakery. None of them was convinced of its potential for profits. Several said that the 'on the job' informal training that they received through the IT technical assistance was more useful than the formal training. With the credit available to them, the other women had chosen to pursue other lines of business.

Although the technology used for both fruit processing and specialist bread making was no doubt well developed and appropriate for use in certain locations in Peru, the training appeared to be not only poorly targeted but also poorly delivered. Some of the women said the trainer had gone too fast, in particular in teaching how to make bottled fruit – none of them had understood the procedures properly. And on the bread making course, the women had had little opportunity to put the skills into practice. The researcher did however record that a few women had applied some of the skills taught in the management component of the course, e.g. using profit and loss accounts, to their other activities so that this was a net gain of the training.

In terms of the impact of the technical aspect of the training on women's incomes, there was a small amount of evidence in the case of Celinda and Lili that their incomes had increased slightly when they sold concentrated juice, and of Raquel and Hilda when they made specialist bread or cakes. Eduviges in Group 2, who had attended a 15 day course in fruit processing in 1994 in Huancayo, had developed it into a small but successful business with good potential for growth. She was the only woman of the 20 in the sample to have developed a significant business using the technology taught (but not using the correct procedures). Ironically, the greatest income gains were made at least in the short time by Eulalia, who had **not** used the technology taught.

In terms of the impact of the training on their status, evidence of increased self-esteem was limited, although several women expressed satisfaction with what they were doing. Eulalia seemed particularly proud of what she had achieved. As for increased status in the community, four women were active in their local women's groups and one woman was secretary of her union; however, it was not clear whether there was a link between increased status in the community and increased income. As for increased status in the household, five husbands started helping with domestic duties within the research period (the husbands of Celinda, Lili, Eduviges and to a certain extent Zoila) but only Eulalia's husband seemed to have had a significant change of attitude towards his wife's work and had started working with her full-time (even when he was offered work he had refused it although this changed at the end of the research period when she had to leave her market stall). Lili's son was helping her increasingly and was enthusiastically looking for new customers for her. Those husbands who started doing domestic chores such as washing their own clothes or cooking appeared to be doing it because they were unemployed and they did it grudgingly. Once in work again, they would no doubt have stopped helping.

As for the link between training and credit, of those who applied the technologies taught, only Celinda was receiving credit at the time of the training; however, there was no evidence that she used this credit to set herself up in fruit processing. Zoila in Group 2 had taken a loan to buy an oven and seemed to be doing quite well with her cake making. Eulalia was the only person who attributed her success with her food stall entirely to her access to credit but there was no link with the training because she had not used the technology taught her. Ironically, too, Eduviges had been relatively successful without taking any loan; she was however thinking of doing so, so as to formalise her business with registration etc. There was therefore almost no direct link between training and credit from this case study, at least not in the short term.

6.5 Conclusions

This case study differed from the other three in that very few of those in the sample who received training made use of the skills subsequently (except possibly some marketing skills). There was also evidence that the training was not successful in passing on the technical skills being taught to all the participants. The interest of this case study therefore lies not so much in the impact of the training on the women's economic activities but rather in the important lessons it offers us regarding effective training for poor women:

1. Training in technical skills has a low return unless the skills are adaptable. *El Niño* had made fruit processing unprofitable and so the women did not take it up. This suggests that training in basic generic business skills is more cost-effective because they can be widely applied.

2. Training in technical skills for production which requires equipment, ingredients and licences will exclude the poorest because they do not have the required capital for the initial investment.

3. Selecting an appropriate target group is crucial. The bread making course was designed for advanced bakers; however, only four of the 16 participants were experienced bakers, and they were all men (the course was intended primarily for women). The female participants were students who knew nothing about bread making. The fruit processing course was attended mainly by women who could not afford the required start up investment.

4. Bread making is a traditional male line of business in Peru; several women who attended the course were part of a family bakery, where they were subordinate to the male head. For other women to break into the bakery business successfully would require considerable courage and much on-going support and training in confidence-building, gender awareness and assertiveness. This was almost totally lacking on these courses. Only the management component appeared to provide an element of this.

5. Needs assessment is crucial for effective training. Women's and men's needs and interests must be correctly identified and addressed. The trainers on these courses (some of whom were women) showed a poor understanding of gender issues (e.g. 'just go

more slowly with women') and the training provided was neither well targeted nor well delivered.

The opportunity to compare a number of men's experiences of the training and their micro-enterprise development with the women's was invaluable. It was clear that the men were in a much better position than the women, in terms of capital, access to credit and size of enterprise. They also earned higher and more regular incomes. Despite this, they too were struggling to survive in a highly competitive market with small enterprises.

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Chapter 7: The Port Sudan Small-Scale Enterprise Programme (Sudan)[27]

7.1. Background

This programme was started in 1984 by ACORD UK. It has undergone a number of phases since that time and has changed dramatically in character. Current funding arrangements are due to end in 2000.

The overall aim of the programme has always been to help alleviate poverty and to improve the quality of life of poor Sudanese and refugees. Its original focus on refugees, who came principally from Eritrea, was subsequently broadened to include all vulnerable groups. In particular, it has targeted women (especially female headed households), the aged, the disabled and other low income groups. The main means of achieving this has been the promotion of self-employment and self-sufficiency through micro-credit provision, although credit has also been given for other purposes such as housing. The programme continues to support the emergence and empowerment of local community structures. In particular, it is attempting to involve the community in credit delivery so as to ensure the long-term sustainability of the programme.

Port Sudan, situated on the Red Sea, is Sudan's main port. As such, it provides the main source of formal employment in the town. The population comprises migrants from many different regions and tribal groups. According to the 1993 census, the town's population stood at 800,000. This represents a doubling in size since ACORD started its programme in 1984. This growth is due mainly to the impact of drought and famine in the 1980s, which led to an influx from the Red Sea Hills area, and the settling of people escaping conflict in Ethiopia and Eritrea.

Approximately 70 percent of the population live in the slum areas known as *deim*. Among the key problems they face are lack of water and electricity, poor housing, inadequate roads and sanitation, unemployment linked to public sector retrenchment and high inflation. The informal sector provides the main source of income for the poor, primarily in trading.

A number of strategies were developed by the project for targeting women. These include: more flexible lending policies for women, giving priority to women for training and skills development, supporting Women's Centres, enhancing the viability and sustainability of women's micro-enterprises, gender awareness raising among the staff and community, promoting women's control over profit and their empowerment through assertiveness training and leadership development. In addition, the programme put emphasis on research, which included research into the programme's impact on women.

Between 1984 and 1998, this programme had assisted 24,626 individuals with loans. Of these, 11,575 (47%) were women. 40 percent of loans were intended for female headed households. Most loans were to individuals and included loans for micro-enterprise development and for home improvement. Currently, however, there is increasing emphasis on group-based lending, with 60 percent of loans now given to groups. Loans are short term, between four and nine months usually, and have for a number of years been operated according to the principles of Islamic banking. The mark up on an ACORD loan (it is not permitted to charge interest under Islamic banking laws) is four percent a month.

In addition, 33 businesses have been provided with premises on a rental basis through the programme's Enterprise Development Centres.

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[27] **Exchange rate (1997) 2600 Sudanese pounds (L.S.) = £1 sterling**

The programme started to come under financial pressure in 1993 as a result of funding difficulties. Staff cutbacks resulted in the reduction of staff numbers from 49 in 1993 to 25 in 1995. Most of the job losses were among women. Although female staff remain well represented at senior levels of the organisation, the reduced number of those working at the community level coincided with a drop in the proportion of female loan clients.

After 1995, as a result of continuing pressure to increase its financial and institutional sustainability, the programme shifted from being a broad-based community development programme to one focussed chiefly on credit for small enterprise development, which was its original mandate. As a result, programme activities were contracted and a number of changes introduced with respect to loan policies and procedures. This included

- cessation of support for Women's Centres (which used to be highly subsidised)
- more emphasis on group based lending (now 60% of the loan portfolio), Islamic modes of finance, and loans for income generating purposes (as opposed to home improvements etc)
- more emphasis on savings
- more involvement of the local community in the administration of the revolving fund (through Loan Advisory Committees)

To achieve sustainability, the programme has sought to build up the capacity of local communities so that their involvement in programme activities could be increased. This would both decrease lending costs and increase the outreach to the programme's target communities. Building on ACORD's longstanding involvement with the local community in Port Sudan, a number of Loan Advisory Committees (LACs) have been set up with the community appointing the members. There are usually six and their task is to facilitate the community's access to loans, assist in the selection of clients for loans, carry out home visits and follow-up on repayments where required. Members work on a voluntary basis, their motivation being the desire to work for the community, to increase their social status, learn new skills and to make it easier for themselves to access loans, or to obtain larger loans (Hashim 1997). Attempts have been made to ensure equal numbers of men and women on these committees, but men tend to dominate and women do not often have the capacity to take on more active roles. This is having an impact on the ability of the programme to reach female clients.

Although the programme has been relatively successful at transforming itself into a structure in which the community is taking on an increasing role within the financial process of credit delivery, it has been less successful in realising sustainability of its financial operations and an institutional hand-over of the executive management of the programme by ACORD in London to a local body. Both of these are important aims. It has been proposed to transform ACORD Port Sudan into a local NGO federated in some way to ACORD International, but there is still some way to go before this can be realised.

7.2 The training

This case study examined both formal and informal training inputs provided by ACORD.

Formal training

Until 1995, ACORD provided a range of formal training inputs, e.g. business skills, literacy, family planning, nutrition and first aid. However, the financial constraints outlined above required that all formal training be dropped except where it increased the efficiency of the credit programme. Some of this training has been taken over by ex-clients of ACORD who run it as a business, with ACORD providing advice as required, for example on fundraising. This is the case with the sewing and handicraft course featured in this case study, which three of the Group 1 women were attending. Since ACORD ran the courses itself until 1995 and continued to act in an advisory capacity, it was considered appropriate to include a number of women following the course in the sample. All the Group 2 women had taken the course at a time when ACORD ran it.

The course which the Group 1 women were following was run under the auspices of the Social Welfare Department. Each course lasted three months and covered two hours per day, six days a week. These particular courses were open to women only. A literacy class was also attached to the course (but this is not part of this study).

Currently, ACORD only runs one type of formal training. Since 1997 it has been providing training to LAC members to help them fulfil their new role. This consists of training in basic business and management related skills, as well as more general awareness raising. It runs over a six month period. Core skills taught are:

- book-keeping, record-keeping and marketing
- group management
- leadership training and community mobilisation

Two women in the Group 1 sample were attending this training. This was in addition to the informal training that they received from ACORD as loan clients (see below). The study did not examine the impact of the LAC training on their role as LAC members, but, as with those receiving informal training, it focused on the impact of training in business skills on their own micro-enterprise development.

Informal training

This took the form of one to one business advice. Three types could be distinguished:

- initial business appraisal and advice for all loan applications (compulsory)
- on-going business advice provided to most loan recipients (for the duration of the loan period)
- training for groups in the group-based lending scheme[28]

Initial business appraisal and advice is provided by ACORD when clients take out loans and it is a condition of the loan agreement. To be eligible for a loan, the client must have a business plan which is then discussed with ACORD staff so as to assess its viability. It is at this stage that initial advice is given. The same applies to groups who are receiving loans. In the Group 1 sample, three women were taking out loans as individuals and two as members of a group.

In addition to the training described above, many of the women had taken training courses in the past. These included courses in first aid, nutrition, adult education, and sewing and tailoring offered by other organisations. The number and variety of the courses attended by many of the women was surprisingly high.

Therefore findings relating to the three Group 1 women and the eight Group 2 women, all of whom followed the sewing and handicrafts course, are discussed in terms of impact of technical skills training on micro-enterprise development. Findings relating to the remaining seven Group 1 women are discussed in terms of the impact of business skills on their micro-enterprises, regardless of the means by which they were given this training. So, for the purposes of the analysis, all the women who received business advice or training, whether as members of a LAC receiving formal training or as individuals or group members receiving informal advice, are clustered together. The field work yielded insufficient data about each type of training/advice to permit comparative assessment of content and delivery.

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[28] Advice was also provided to community groups prior to their receiving loans for community projects. We are not concerned with this category of informal training here.

The field work was carried out by Salwa Abdulla between June 1997 and February 1998. After the initial visits to collect baseline data for the Group 1 women, she paid five of the women four visits each and the other five only two visits each (due to circumstances which required her to finish the field work earlier than expected). She also interviewed eight Group 2 women who had been trained earlier.

7.2.1 The training process

The researcher carried out observations of only one type of formal training (tailoring and handicrafts) and one type of informal training (initial business advice). She did not observe the formal course for LAC members nor the informal advice given to members of group-based lending schemes. The observations took place during June to August 1997. For the formal course, she attended three training sessions in two different Women's Centres in Port Sudan; for the informal training she attended three sessions of one-to-one advice at ACORD sub-offices in different districts of the town. She also interviewed two training supervisors and two trainers of the formal courses.

Formal training (sewing and handicrafts)

According to the training supervisors, 90-100 women were registered on the course in one centre while 54 were registered on the other. The courses had been organised by the Social Welfare Department at the request of the Women's Union. The timing, location, course organisation, content and training methods were set by the Social Welfare Department in conjunction with the trainers and/or supervisors and the Women's Union. There was no selection of participants per se, women who were interested could participate, although the intention was to attract women who had missed out on formal education. There was one trainer for each course and on one course there were also two facilitators.

The objectives of the course were cited by the supervisors and trainers as:

- to increase women's income and status by developing their skills in sewing and handicrafts
- to help them develop self-confidence
- to enable them to communicate and discuss issues with other women in the community as a form of empowerment.

It was hoped that the training would allow the women to engage in new activities, which would lead to improvements in their family situation and provide them with some financial stability and independence. It was also anticipated that learning from the exchange of experiences with other women would constitute a form of empowerment for these women, who often led very isolated lives.

Participants paid a small fee of 500 LS (20 pence) per month for the course and provided their own materials where necessary. The costs of the courses were met by the participants' fees and the World Food Programme which provided some food items such as oil and flour for those who attend. This was intended to act as an incentive. However, in practice this would appear to mean that attendance was low except when food was to be distributed, despite the centres' policy that women could only absent themselves for 3-5 days in the event of illness or a death in the family. One trainer said most did not attend if there was no food distribution. The other said 50% only attended.

The courses provided only technical skills (sewing and handicrafts) and literacy. Participants would obtain informal business advice from ACORD if they took out a loan. Both supervisors were of the opinion that the basic technical skills should be acquired first and women could then seek business advice when they started putting their skills into practice as a business. However, it appeared that the trainers did provide some *ad hoc* business advice during the sessions when asked to do so. One supervisor said she made informal visits to participants and offered them advice. Through personal contact, some were encouraged to seek loans from ACORD or other NGOs.

Constraints on women acquiring useable skills were identified as:

- women's own background in poverty
- lack of adequate financing of the course
- lack of incentive for trainers to do a good job on the course
- women's failure to attend regularly
- lack of interest in acquiring skills – some attended merely to break social isolation, others to take advantage of the food distribution.

In addition, barriers to **using** the skills acquired were identified as:

- lack of capital to start up a business
- social barriers (against women working)
- family and social obligations (work overload, domestic duties, bereavements, weddings etc)
- ability (some were unable to follow what was being taught)
- lack of formal education.

The courses concentrated on the skills of tailoring, design and decoration, and handicrafts such as leatherwork and pottery. As training methods, the trainers said they used: lecturing, discussion (whole and small group), case studies, demonstrations, real practical tasks, and talks by local businesswomen/men.

The researcher observed three formal training sessions in handicrafts and sewing. At one centre, there were 21 and 35 participants respectively on the two days observed (instead of the 54 registered), at the other there were 75 on the day she attended. However, she was told that only 20 women attended throughout the whole course, the others being absent for part of it.

The observations showed that the two hour classes comprised roughly half an hour of lecture (formal or theoretical input), half an hour discussion (whole group or small group) and at least one hour of practical work. Occasionally, there were problem-solving exercises. There was no gender awareness component.

The practice was for the trainer to divide the participants into two or more groups, each group doing a different activity. The only resources provided were two sewing machines, and the women had exercise books to write in. Women brought their own materials to work with. The shortage of sewing machines meant that most of the work was done by hand. Articles being made included table napkins, handkerchiefs, leather bags and children's clothes.

The researcher noted that the trainers were friendly towards the women and this helped build up their self-confidence. For some of the women at least she was of the opinion that the objectives were met.

Informal training

The researcher interviewed two ACORD field staff in August 1997 involved in processing loan applications and also observed five sessions of informal business advice, each being with one of the women contained in the sample.

The interviews revealed that the aim of this type of support was to provide clients with advice and information to help them to manage their business successfully. Meetings were usually at ACORD sub-offices in the *deim*, or sometimes at the client's house. The client was able to identify a suitable time.

According to the field staff, they offered clients specific advice on:

- how to start up a business
- how to manage a business
- how to cope with changes
- how to gain maximum benefit (social as well as financial) from the business.

This was done mainly by discussion with the client, but at the beginning of the loan period, the staff member would help the client to draw up their accounts, according to the feasibility study approved by ACORD at the time of the loan approval.

Skills acquired by the client during this process were identified by the staff as:

- customer needs appraisal
- marketing skills
- purchasing methods
- record keeping (profit and loss accounts).

Both staff members saw themselves in a facilitating role and thought that there was considerable benefit in this approach, especially for women, in that it gave them not only some very basic business skills but also confidence, independence and greater awareness, and gradually changed their attitude towards business in general and their own practice. On the whole, they thought that the aims of this approach were met – where they were not, this was due to lack of interest on the part of the client, lack of background knowledge or education, social or family problems, and in some cases irregular follow-up and supervision by field staff. In this respect, insufficient time to give to each client so that they could benefit fully from the advice was considered a major problem.

The researcher commented that the simplicity and continuity provided by the approach were its strengths. However, she was of the opinion that much more initial business advice was required for women and that it should also aim to develop independence in the women, in particular among those who are constrained in the household. In the sample, there were two women whose husbands would not allow them to work outside the house, which obviously limited their potential to earn a steady income.

7.3 The women

The Group 1 women

The ten women in Group 1 were aged between 22 and 55, with six of them being in their 30's, two in their 40's, with one older woman aged 55 and the youngest 22. They were all Sudanese and all Muslim. Seven were married, two were divorced and one was widowed. All but two of the women had children. One woman had eight children, two had seven each, one had six, two had four and two had one child each. One married woman had an aunt living with the nuclear family, and the youngest respondent, who was divorced (she re-married during the research period), lived with her brother's family and her uncle. In this family, the brother was considered the head of the household while in the case of the second divorced woman, the father was the head. The widowed woman (aged 55) headed her household. In all other cases, the husband was considered the head.

Eight of the ten women were currently in receipt of loans from ACORD. Some had received several loans, in one case she had taken the first one in 1987. They were usually used to buy stock for retailing (e.g. perfume, sugar, seeds and raw materials such as beans and oil to make *tamia* - a savoury snack). One had used the loan to buy an ice machine for her shop, another a sewing machine. The amount of current loans ranged from 60,000 to 600,000 LS (£23 to £230). Two respondents also stated that their husbands had current loans, one had been used to purchase a generator, another spare parts for his taxi.

Two women had had no education at all, two had attended *khalwa* or mosque school (for only six months in one case), one had attended literacy classes and the remaining five attended four to six years of primary schooling. The husbands of the two women who had had no education had also not been to school. Of the others, none had been to secondary school. However, all their children of school-going age were attending either primary or secondary school, and of those beyond school-going age, most appeared to have completed secondary school. One woman had two sons at university.

In terms of literacy use, three women reported that they read regularly, whether newspapers, magazines or the *Koran;* one of them also helped her children with their homework and sometimes wrote letters. Three others used minimal literacy while four said they did not read or write at all.

The women were all very poor. In terms of household assets, seven women reported that they owned kitchen utensils and furniture (although the latter was sometimes owned jointly) but in all cases except for the widowed woman who owned her house, the house was owned by the male head. In three cases livestock was also the woman's asset. One woman owned a sewing machine. In the case of the two divorced women, they reported that they had no assets at all.

Two of the women were at the time of the first interview not earning any income. Of those who were earning, two said that they spent it exclusively on meeting daily household costs and repaying the loan, five said that they made savings (in some cases identified for children's further education, to complete the construction of the house or to purchase furniture), and one mentioned buying raw materials for her tailoring and retailing work. All eight who were earning also had loans from ACORD and made regular repayments, with a mark up of four percent per month.

Six of the women stated that they would like to spend more time on productive work so as to increase their incomes. However, any additional income would be spent on improving the family's living standard rather than on investing in the expansion of their economic base. Of the others, they cited too much domestic work and the husband's refusal to let her work outside the house as reasons.

When asked about barriers to increased income and business expansion, lack of capital was cited as the most important barrier, also lack of time, lack of security in terms of a permanent place from which to do business and non-availability of items for trading. One also cited lack of confidence in her (sewing) skills. Other constraints were: living in a remote area away from the centre and without basic amenities, lack of an active market and socio-cultural traditions. Only one woman saw no constraints to expanding, if she wished.

There was limited sharing of decision-making in the household. Only two women said they took all the important decisions in the household. These were Zeinab who was a widow and Soad Mohamed whose husband had not worked for six years. Five women said they were involved in some decisions (jointly with the male head of household) concerning, for example, their children's education, family affairs or the house and were happy with this situation. One said she was able to make sole decisions relating to her participation in community activities and making the best use of family income, another (Sadia) who was divorced and living with her brother's family, said that she made all decisions regarding her work, her movements and her participation in training. One woman, Mariam, said all

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decisions were taken by her husband, even regarding her work but she expressed no desire to be more involved because she knew her husband would not allow it. Only two women said they would like to be more involved (Hassona and Alawia) especially to be allowed to make decisions relating to their own lives and family affairs.

As to what changes they would like to see in their lives, and what prevented them from making these changes, the most frequently cited were: educating their children, improving their family's status (through increased income or educating their children), building or completing construction on a house; increasing production for family income and to 'have a better life'. Other changes cited were: migrating to Egypt and having a more rewarding business, 'changing traditional attitudes in the community towards women working', 'increasing activities and income', being 'well known among colleagues', and improving tailoring skills. What prevented them was overall lack of money, in one case lack of time.

The Group 2 women
There were eight women in Group 2, aged between 23 to 43. Four women were single (all in their 20s) and the others were married. They were better educated than those in Group 1, with six women having completed secondary school and two having completed primary school. Only one woman said she did not read regularly, while several others wrote letters regularly as well as read the *Koran*, newspapers, letters etc. Despite this, their socio-economic circumstances were not markedly better than those of the women in Group 1.

All the women in this group had followed a six-month course in sewing and handicrafts during 1994-5, when it was run directly by ACORD. Six of the eight had taken loans at that time from ACORD to buy sewing machines and all eight women had started sewing items for sale after the training. Two women had been making items for the household prior to the training but moved into production for sale afterwards. Only one out of the eight women was no longer making a living from sewing; she had had to sell her machine after a year and was now a kindergarten teacher and literacy instructor. However, she would like to return to sewing for a living. The women worked between two and five hours a day on this activity and earned between 5000 LS and 18,000 LS (£1.90- £6.90) per week, after making repayments on their loans and accounting for other expenses. One woman, who had been in charge of a women's sewing centre for two years previously, made an income of 50,000 LS (£19) per week. They all said they had been able to increase their income as a result of the skills acquired on the course. It should be noted, however, that with one exception their incomes were still very low.

Most of these women had followed other courses, provided either by ACORD or other agencies, such as first aid, kindergarten teaching, soap making, health education and nutrition. Two had also received training in basic book-keeping and marketing.

7.3.1 The impact of the training on the women's lives

The following analysis focuses on the Group 1 women and is organised according to the type of training they received (technical or business-related).

Sewing and handicraft
Gawaher was aged 45, married with seven children aged between 24 and 8. She had had six years of primary schooling (as had her husband). An aunt lived with them. At the start of the field work period, Gawaher was earning an income from selling vegetable seeds and eggs from home, and she also did some needlework for sale. She earned approximately 4-5000 LS (£1.90) net per day, once her loan repayments were taken into account. Her husband had a small vegetable farm (where she helped for about two hours per day) and a rented shop, which generated together about 105,000 LS (£40) per month. All her income went on meeting household needs. She had taken out a loan of 150,000 LS (£58) from ACORD to buy seeds. Her husband had a loan of 140,000 LS to buy a generator. She said he was very supportive of her economic activities, as were other family members.

At the time of the first follow-up visit, Gawaher was making leather handbags, using skills she had acquired on the course, as well as selling seeds and eggs and working on the farm. This had increased the time she spent on her productive activities from three to five hours per day (excluding the farm) and her income had increased slightly. She had started making leather bags because she said there was a good market for them and she was even thinking of making leather shoes. However, by the time of the next visit, she had stopped making bags because she did not have the required working capital to buy the raw material. Instead she was making sandwiches for sale. By the time of the fourth visit, she had stopped making sandwiches and instead had taken out a new three-month loan of 150,000 LS from ACORD to buy bedsheets. She had bought these wholesale and sold them locally, making a profit of 36,000 LS (£13.80).

The case of Gawaher is indicative of the difficulty that women face in making a living in small, seasonal and unpredictable markets – constantly having to show flexibility and change activity according to what the market will allow. High inflation, limited purchasing power and low capital make it extremely difficult for women to invest in one line of business with any confidence.

During the six month period of follow-up visits, she was involved in six different economic activities (excluding farming), none of which appeared to be particularly profitable. She had used two loans to buy items in bulk to sell retail for an immediate profit. Neither of these had been based on a long term business plan. Her income from other sources had remained roughly the same at about 6000 LS per day. Most of this had been spent on the household, or on visiting relatives.

She herself considered that training has helped her to improve her handicraft skills, and encouraged her to diversify using different raw materials. The informal advice she received from ACORD when accessing her loan had also made her more aware about marketing. She felt more self-confident and independent as she had more available cash to deal with unforeseen crises. However, the high price of raw materials affected the profitability of what she was doing and made it difficult for her to save. By the end of the field work period, she was making schoolboys' clothes for sale. She used the extra income to pay school fees and to cover household expenses.

Hassona was aged 40, married with one son of 21. She and her husband had both completed primary school and her son had completed senior secondary. She was not currently working, but was attending the sewing and handicrafts course. Her husband had a vegetable farm and a rented shop; he also repaired generators. His monthly income was approximately 30,000 LS (£11.50). They had no loans.

During the field work period, Hassona sewed for herself and her family for two to four hours per day, using the skills acquired on the course. She did all the sewing by hand as she had no sewing machine. She did not sell any of it, but was saving on household expenses. She was considering taking an ACORD loan to buy a sewing machine and then sew clothes for a living but her family was very poor and she was worried about not being able to repay it. Her cousin had left her a fridge recently and she could make ice for sale with it but it needed repairing. She was very hesitant and lacking in confidence, although her husband was encouraging her. However, by the time of the third visit she had registered as a client with ACORD for a loan to buy a sewing machine, but did not obtain it before the end of the field work period.

Hassona also offers a clear example of the constraints on women's income earning capacity as a result of a lack of capital. She was acquiring skills that had the potential to allow her to earn a regular income, and she appeared to be business-oriented but she lacked the capital to buy a sewing machine. She was cautious about taking out a loan for fear of being unable to repay it. Her case shows how difficult it is for women in her situation to assess risk, especially when lacking in self-confidence and business experience. In such circumstances, a woman's options are very limited.

Sadia was aged 22 and divorced. She lived with her brother and his family, and their uncle. She was not currently working and had no loan.

At the time of the first follow-up visit, Sadia had started her third sewing course. She felt her sewing skills had improved but she had not yet started producing clothes, because she had no sewing machine of her own and material was expensive. Her family encouraged her to do the training and supported the idea of women working for an income. She would like to start producing but felt her family was too poor and she could not do this without support from an organisation.

When she received her second follow-up visit, she had just got re-married. Her husband was a crane operator at the port earning she thought about 60,000 LS per month; she had moved to his family's house. By the time of the third visit, she was making bed sheets for home use but had decided to start making them for sale. Once she had earned some money, she would ask for a loan to buy a sewing machine so that she could make clothes for sale. Her husband and his family supported her in this. By the time of the fourth follow-up visit, she was spending two hours per day sewing clothes for an income, in addition to attending the training. She still did not have a sewing machine but used the centre's. She had earned 20,000 LS (£7.70) during the *Eid* festival at the start of the Muslim New Year, the first time in her life that she had earned any money. She felt more independent, would like to start production and her husband encouraged her in this. The researcher commented at the start of the field work period that she had had a 'negative attitude' towards the training and was reluctant to start any productive activity. However, this attitude appeared to change once she was re-married.

Like, Hassona, Soad was constrained by a lack of capital and a lack of self-confidence, despite encouragement from her family. Earning a small income for the first time in her life was an important step towards developing confidence to see her activities as a potential business.

Business advice/training

Soad Mohamed and Zeinab started receiving formal training as LAC members in September 1997. Prior to that, they had received initial business advice when taking out loans.

Soad Mohamed was aged 38, married with six children aged between 20 and 10. She had attended a *khalwa* for six months, her husband for three months. She sold small items such as pencils, exercise books, cakes, soap etc. at the local market. She spent seven to eight hours per day on this, including the preparation of cakes and biscuits. This earned her about 10,000 LS per day (£3.85). She had taken a 60,000 LS (£23) loan from ACORD in June 1997 to improve her house and her market stall. She started up her business with a very small amount of capital when her husband lost his job as a driver. He had not worked for six years. As a result, she was responsible for meeting all her family's needs, and at the same time was saving for her son's university education.

Between the baseline survey and the first follow-up visit she had seen a small increase in income, partly because the change from summer to winter had increased demand for her products, especially biscuits. Her husband was now working again as a driver in the port earning 21,000 LS per week, which her whole family was very happy about.

She wished to continue in the same activity and cope with the market as best she could on the basis of supply and demand. Although she recognised that she had acquired the skill of assessing market demand as a result of the training, she considered that she had learnt more from her own experience in the market as her business had expanded and from other traders than from the training. She said that she had received very little advice from ACORD staff.

Her family supported her in what she did. Her daughter helped her in her domestic work and to prepare items for market, especially biscuits. She wanted to expand; she was particularly good at making cakes. By the time of the second visit, she was spending two more hours per day on her work but her income had not increased because of the increased competition. However, she considered that her marketing skills had improved through continuous dealing in the market with different activities.

At the time of the third follow-up visit, she had started selling spices as this was now the *Ramadan* period and spices were in high demand. The work level had increased but she shared it in shifts with her elder daughter (aged 16) who worked in the shop for six hours and she herself did two hours, while also spending five hours making cakes and biscuits. If there was less market competition and a more certain market, she said that she could work more hours and earn more income. Many women were doing the same work during the fasting month of *Ramadan* so there was tough competition; once it was over, she would return to her previous level of activity. The fourth visit showed this to be the case.

Soad Mohamed was obviously business minded and showed flexibility in responding to changing market demands and showed good skills of market research. Her relative autonomy in the household, where she made most of the decisions, was an advantage.

Zeinab was aged 55, the oldest woman in the sample, and she was widowed. She had four grown up children aged between 32 and 20. She herself had attended primary school. She was a shopkeeper, selling small food and household items such as okra powder, peanuts, soap, salt and spices in the local market. She spent about seven hours a day on preparation and selling and earned about 6000 LS (£2.30) per day. She also ran a training centre which trained women in tailoring and literacy together with her daughter, for which participants paid a small fee of 500 LS (20 pence) per month. Her son (a taxi driver) and daughter (tailor), who lived with her, also contributed to the household. She used her income to meet household needs and was saving to complete the building of her house. She was active in local groups, including the women's union, and she was leader of a group and a member of a market LAC. She was committed to working for improving women's status. She currently had a loan of 400,000 LS (£154) for five months.

Zeinab was not available at the time of the first follow-up visit as she had gone to Cairo on a combined holiday and trading trip. However, by the time of the second follow-up visit, she was engaging in her usual activities but also selling the perfume and spices that she had brought from Egypt. She was spending the same time on her activities, five hours per day in the shop and two hours preparation, but she had earned additional income from selling the goods brought from Cairo so she had been able to meet family needs and improve her house. She would like to spend more time on working but she had no permanent place in the market so it was difficult to work longer hours (women were not allowed to work at night unless they have a permanent officially approved shop). She would like to have her own mini-shop.

From the training, she said she had learnt book-keeping and marketing, also how to assess customer demand for items, how to cope with market demands, how to be business-minded and 'independent'. She had also obtained some initial business advice when accessing her loan.

By the time of the third visit, her activities had increased because it was *Ramadan*. Her son was assisting her and her daughter helped to produce the home made food for sale. Her income had increased to about 7000 LS per day, as a result of organising her business and working according to market demands. She used the extra income to pay off the loan and to buy new goods for sale. She felt that her business potential had increased because of her committee work (she also sat on a health committee) which had led to an increase in status.

At the time of the final visit, she had returned to her pre-*Ramadan* activities and was spending less time on productive work (six hours per day). She prepared spices at home every two days. Her income had returned to what it was before. She saw the way forward as continuing in the same way.

Zeinab appeared to be quite entrepreneurial; she had taken advantage of her trip to Cairo to buy items for sale when she came back. She had also responded to the additional demand for items during the fasting period and she had been able to re-invest something in her business.

Three women had received only initial business advice in the form of training. These were Amna, Rahmna and Mariam. The researcher was only able to make two follow-up visits to each instead of the anticipated four.

Amna was aged 37, married with one 18 year old daughter. She had never been to school, nor had her husband, but her daughter was currently in senior secondary school. Amna was a peddler, selling small items such as sugar, tea, flour, local perfume and okra powder (ladies fingers) for about four hours per day. She sometimes sold ice cream as well. She earned about 8000 LS (£3) per week, after deducting her loan repayments. Her husband was a building labourer and a blacksmith, earning about 10,000 LS per week. She had taken out four loans from ACORD, the latest one being for 200,000 LS (£77), which she took in December 1997 for six months. She used it to buy sugar and perfume for retail sale. She was using her net income to build the house, buy furniture and make some savings. She was also the leader of her local *sanduq* (savings and credit group) and she spent about two hours per day collecting contributions from group members and distributing loans.

At the time of the first follow-up visit, her retailing was expanding. She said that she would like to spend more time on this so as to increase her income to meet the family's needs. Her husband's income had declined. Her daughter could now help her.

She said that she had changed her approach to her work by learning to identify customers' needs, rather than having a variety of goods and materials that might take a long time to sell. However, like Soad Mohamed, she was of the opinion that she had learnt these and other skills more from her experience in the marketplace and from other women than from the business advice received from ACORD. She said ACORD staff visits to her house were few and she herself went to the ACORD office to pay her instalments. She acknowledged, however, that she had learnt how to manage her business better from the informal discussions in the ACORD office.

Her income had increased since the baseline survey as a result of her experience in the market. She intended to use it to complete the construction of their house. She saw as major constraints on her expanding her business being the increase in the price of raw materials and the unstable electricity supply which affected the production of ice cream for sale. She saw the way forward in terms of evaluating her business at regular intervals and adjusting her prices in keeping with inflation. Her husband was supportive, trusted her and allowed her to make all decisions relating to her work. Her daughter helped by doing housework so as to allow her to concentrate on productive work.

At the time of the second follow-up visit, her income had increased by 3000 LS per week to 11,000 LS (£4.20). She said she used it to expand her trading activities, to increase her share in the *sanduq*, to buy new clothes for her daughter and bed sheets, and to pay back the loan. She also talked of the number of *sanduq* members increasing. She spent three hours per day trading and four hours per day on *sanduq* management. She would like to spend less time on the *sanduq* as it took up a lot of time, was risky and had a low profit. She would like to increase her working capital and find new markets. By this time, her husband was not working, so she had to cover all household expenses. She would like to set up a mini-shop.

Rahmna was aged 32, married with seven children aged between 16 and one. Neither she nor her husband had had any schooling. She spent about two hours per day prepared ready made food at home which her husband then sold in the market (they came from the west of Sudan where joint work by men and women is common). They made about 9000 LS (£3.50) per day. Her husband would not let her work outside the house. She had taken two loans from ACORD, the current one being for 300,000 LS (£115) taken in July 1997, with which she had bought beans and oil for making *tamia*. Their shared income was spent on meeting family needs, repaying the loan and some savings.

On the first follow-up visit, she was continuing with the same activity of making *tamia*, which her husband would sell in the market. She would like to expand it into a proper catering business because this was their main source of income. She would like to open three branches in different localities, although the market situation in the last two months had not been encouraging in terms of demand. From ACORD's initial business advice she said that she had learnt to select items for sale (customer demand).

She considered that she was in the first stage of developing a business and had not got all the necessary skills to be successful. She needed experience in producing different products to see which were the most viable. Since taking out the first loan, she had been able to increase daily production and their daily income from 6000 LS to 10,000 LS. She had used the extra income to pay her loan instalments and to pay for children's schooling.

The researcher commented that she had a good business mentality and reasonable financial security but was constrained by not being allowed to work outside the home.

By the time of the second visit, however, although her activities, the time spent on them and resources put into them had not changed, their income had decreased by 3000 LS per day, as a result of *Ramadan* competition. She would like to work more but they did not have working capital and the market was insecure. She admitted to being dismayed about the decrease in income but she was optimistic for the future.

Mariam was aged 32, married with six children aged between 18 and 5. She had no formal schooling, but had attended literacy classes for 18 months. She engaged in tailoring and selling small items such as soap and sweets from the house. Her husband would not let her work outside the home. She earned about 7000 LS (£2.70) per week for four hours' work per day (after deducting the loan repayment). Her husband was a taxi driver earning 5000 LS per day. She had borrowed 100,000 LS (£38.50) from ACORD in July 1997 to buy a sewing machine and had only 1000 LS to repay. Her husband had borrowed 100,000 LS from colleagues to repair his taxi. She spent all her income on meeting household needs, buying materials for her work and repaying the loan. Her sons helped her in retailing before and after school hours.

On the first follow-up visit, she said that there was an increase in demand for tailoring and she was selling more retail items. She spent an additional hour per day on her productive work, now five hours per day. She would like to spend more time working since she had increased customer demand (from neighbours).

She had received some advice from ACORD on how to keep a profit and loss account, and on marketing. She now prepared a list of goods with a view to expanding the retailing side. She had found this advice very helpful because she could now work out her profit and had learnt how to balance effort, time and income. This had helped her to increase her income. As a result, she had been able to cover household expenses when her husband's taxi had broken down, repair the house and pay instalments on the ACORD loan promptly. She had also been able to send the children on holiday to relatives.

She saw possible constraints to her expansion as being the lack of availability of some items in the market, but this made her think of other goods to trade in. She saw the way forward in terms of continuing this work.

Even though her income had increased and she covered all household expenses while her husband was unable to work, he still would not consider letting her work outside the home. This attitude was also held by the children and she herself agreed with it. She preferred to let her husband make all decisions. There had been no change of attitude within the family towards her working, despite her increased income.

On the occasion of the second visit, she was continuing with the same activities but working two more hours a day as it was *Ramadan* (six hours). Her husband's income was insufficient, so she was responsible for all the household expenses. From the initial business advice, she said that she had learnt about market demand. Her income had increased during *Ramadan* to 9000 LS per week. There was more demand for commodities and tailoring. She used the extra income to meet family needs, buy clothes etc for the children and to assist her husband when necessary. There had been no change in the household – her husband continued to only let her work from home. He would not even allow her daughter to go to the market. The most significant change for her was the increase in work and income.

Mariam provides another example of the restrictions imposed on women which reduce their opportunity to expand their fledgling businesses, even when they see a clear opening. The fact that the woman is covering all household expenditure because the husband is either not working or earning very little appears to do little to break down these traditional barriers to women's participation in the market or to change male perceptions of a woman's role. In the case of Mariam, the researcher commented that she was entirely dependent on her husband and had no social life.

Two women received business advice as members of a group-based lending scheme.

Soad Fadl was aged 47, married with eight children. She had attended a *khalwa* school, her husband had only attended three months of literacy classes. Soad sold items such as perfume, tomato paste, soap and okra from a well stocked stall by the roadside. She earned about 3000 LS (£1.15) net per day and spent six to seven hours daily on this activity. She had taken three loans from ACORD, the third and current one being a four month loan of 200,000 LS (£77), with which she had bought perfume for her shop. Her husband sold water from a donkey cart earning about 5000 LS per month. She used all her income in meeting household expenses. She was also following a literacy class.

At the time of the first follow-up visit, her productive work had increased. She had started selling used garments, perfume and biscuits. She still spent the same amount of time and she was still selling on the street because she had no shop (although some customers also came to her house to buy) but her income had increased (amount not specified). She would like to increase her work but she had no premises from which to operate. Her husband's income was not stable, as water was in high demand in summer but low in winter.

From the training, she said she had learnt how to increase profits and to identify potential customers, how to address problems such as choosing materials or marketing products. She had also learnt how to deal with people in the market. (She also recognised that she had acquired leadership skills and skills to deal with new members of her *sanduq*).

With the increased income, she was saving for her son's education at Khartoum University. Their standard of living had also increased and she no longer needed to borrow from neighbours. Her family was supportive of her and had helped her build storage space for materials and to prepare ingredients. Her husband had started helping her by bringing raw materials and transporting products to market. He had changed his attitude towards her work considerably. Her daughters also helped by doing housework, which reduced the pressure on her a great deal. However, people's purchasing power was weak and prices had risen, so the market was not favourable. Some items were not available at times, which made relations with customers difficult. She would like to expand, buying a grinder and a fridge would make it easier for her. She would also like to save to build a house.

The most significant change for her, in her opinion, was that she had gained experience in trading and marketing, and learnt to make maximum use of raw materials.

At the time of the second follow-up visit, her economic activities had increased. She was now making biscuits, selling spices and perfume. The time spent on this had increased by three hours a day to a total of ten (from six to seven hours). As a result, her income had increased by 5000 LS per week. However the price of raw materials had gone up considerably, which made it difficult to make a profit. She used the extra income to cover expenses, to improve the house and to pay for the son's university fees. She would like to open a shop but could not because of local regulations.

Her husband no longer sold water and instead helped her by buying the materials from the market, helping her on the stall and transporting goods to customers. The researcher commented that she had become more independent.

Alawia was aged 31 and divorced. She had attended only primary school. She lived with her father, her son and her four brothers and sisters. She specialised in perfumes, which she sold from a table in the market, close to where her father also sold goods. She earned about 6000 LS (£2.30) per day for about six hours work (more than her father who earned 5000 LS). She had had three loans from ACORD, the third for 600,000 LS (£230) taken in July 1997 with which she had bought perfume stocks for her stall. She used her income to meet family needs and to make some savings.

At the time of the first follow-up visit, Alawia reported that there was no change in the nature of her productive activities, in the time she spent on them or in her income. She would like to spend more time on trading but did not have a shop in the market. Instead she sold from a table, which made it impossible to hold a large amount of stock. One of her brothers objected to what she was doing, even to the researcher visiting the house, but she was trying to handle him. Her son (aged 17), however, had changed his attitude and become supportive of her work.

She had found the loan advice useful as far as financial guidance, calculating supply and demand and how to deal with customers were concerned, but not so much in terms of marketing and ideas for alternative business activities. This was because she had had little contact with ACORD staff, whether in terms of their visits to her business or herself going to the sub-office. She saw the only way forward in terms of opening a shop (so as to avoid problems with her brother) and to work longer hours for additional income.

At the time of the second follow-up visit, she had started selling spices as well as local perfume in the market because it was *Ramadan*. Her income had increased by 3000 LS per day and she was spending more time working. She had good social relations with customers and that helped her to expand her sales. The additional income had allowed her to better meet household needs and carry out some house improvements.

7.4 The findings

On this study, the link between training and increased income was not as clearcut as on the other three, largely because there was insufficient data on the type of business skills acquired and the nature and frequency of the advice given by ACORD staff. This was better documented in the case of the technical input (sewing and handicrafts). In addition, the researcher was unable to make the full four follow-up visits to five of the ten Group 1 women, with the result that the evidence of impact of the training on their incomes and business development was very limited. This was complicated yet further by the fact that the second or third visits for most women coincided with the fasting period of *Ramadan* and then the *Eid* festivities, which were periods of particularly buoyant markets for some types of goods. Income gains at that time would not usually be sustained.

Assessing the impact of the formal training in sewing and handicrafts was also impossible with regard to the Group 1 women in that two out of the three who had been taking these classes for some time were not using the skills learned to produce items for sale – although one did start selling items at the end of the research period. More comprehensive data was obtained from the Group 2 women who had all followed this type of training when it was run by ACORD and all but one was making a regular, albeit very small, income from sewing.

Nevertheless, this case study is instructive for a number of reasons.

It showed clearly how constrained women are in their economic activities in contexts where social and cultural norms discourage women from entering the public domain, and where interaction with male strangers, handling money, being a provider (sometimes the sole provider) for the household are not commonly accepted. Constraints on these women included: lack of mobility (two women were not allowed to engage in productive work outside the home), active resistance from male members of the family to women working, the difficulty of women securing premises from which to trade and government restrictions on women working at night. In addition, lack of self-confidence in their ability to engage profitably in business, and anxiety about taking out a loan for fear of not being able to repay it were barriers which men are less likely to experience. The women also had very low aspirations for themselves and appeared reconciled to their constrained lives (only two Group 1 women would like more say in household decisions). These issues need to be addressed when designing training for women.

The formal training in sewing and handicrafts did not appear to be of high quality and some women were attending for reasons not connected with micro-enterprise development, for example to break the isolation of the home and interact with other women, or to take advantage of the food handouts. This low motivation to acquire productive skills among some women, combined with the very large number of participants, the irregularity of their attendance and the lack of equipment (only two sewing machines) ensured that the level of skill acquisition was low.

Moreover, this technical skills training was not combined with basic business skills. Although those women who took out loans would be given some initial advice and their business plan would be appraised and discussed, the opportunity to acquire some basic understanding during the course itself of how they could market and price the items produced, or how to decide which items might be popular, was missed. Teaching basic business skills alongside the technical skills might also have motivated them by focusing on possible economic benefits from the training.

While it was difficult to make any judgement as to how effective the initial business advice given to both individuals and groups was, four women (Alawia, Soad Fadl, Zeinab and Mariam) said they had found it useful. However, there was little information on exactly what was learnt and how. In this respect, it is significant that two women (Amna and Soad Mohamed) who were quite successful in the marketplace expressed the opinion that they had learnt their skills from the market and not from the training. At the same time, they appeared to be suggesting that ACORD could, or should, provide them with more advice. ACORD officers themselves expressed concern over the reduction in the amount of training provided as a result of the financial cuts to the programme. The 1996-8 Planning Document states:

> *Although credit specialisation has improved cost recovery rates, the programme is aware that in order for some clients to be aware of the opportunities open to them in the field of small enterprises, they are in need of basic training and awareness raising. The change in direction of the programme has seen a decline in the number of female clients being assisted by the programme.*
>
> (ACORD, 1996, p 8)

The researcher too was clear in her opinion that the women needed more visits from ACORD staff to monitor their use of the loan, more business advice, especially on which activities were the most profitable, and more moral support and encouragement over an extended period of time. It was only in this way that the women would be able to sustain income gains.

Although husbands and other family members appeared supportive of the women's training and economic activities (with one exception – one of Alawia's brothers), in two cases the husbands would not allow their wives to work outside the house. This severely constrained their economic opportunities. Even when these women's incomes increased, there was no change in attitude (again contradicting the 'virtuous spiral' of women's empowerment). At the same time, there were few examples of husbands changing their attitude significantly towards their wife's work. The exceptions were: Gawaher's husband, who was appreciative of her efforts and started to allow her to make decisions on her own relating to the family and her work, and Soad Fadl, whose husband stopped selling water from a donkey cart and started to help her in the market. Beyond this there was little evidence that the pattern of work or decision making in the household had changed, that women's status in the home or the community had improved or that women were taking greater control of their lives. Indeed, in the two cases where the husbands refused to let their wives work outside the house - Rahmna and Mariam - this continued to be the case despite there being an increase in income.

Yet, it was evident from this sample that a number of the husbands were very dependent on their wives' incomes. Soad Mohamed's husband had not worked for six years so she was responsible for all the family's living expenses (although he did get a job at the time of the first follow-up interview). Amna's husband was a blacksmith and labourer and he did not always have work and so they were heavily dependent on her income. Mariam's husband earned an irregular income as a taxi driver. All the eight women who were earning said that they spent most of their income on daily household needs.

Most of the women were in receipt of credit from ACORD, a number of them having received several loans in the past. Although some had increased their income over the field work period (itself attributable at least in part to the dynamic market during the *Ramadan* and *Eid* period), very few of them appeared able to re-invest their profits in the business in order for it to expand. Much of it seemed to be spent on meeting family obligations, repairing the house, meeting their children's school expenses, or sending their children to stay with relatives. They seemed to be continuously short of working capital, which prevented expansion. They took one loan after another, which allowed them to buy items in bulk for selling on at a small profit, but without this contributing in any way to building up business capacity. Their poverty, social obligations and/or lack of motivation appeared to prevent them from developing a business orientation, an awareness of the need to re-invest for growth. In fact, none had managed to build up a viable business from either the credit or the training received. According to the distinction made between income generation and micro-enterprise (section 1.2 of chapter 1) these women were still only engaging in income generation.

The case of Gawaher was indicative of the insecurity of these women's economic lives, requiring them to move from one activity to another, as each one proved disappointing in terms of profitability. Six separate market activities were recorded for Gawaher over the research period: selling seeds, selling eggs, making leather bags for sale, making sandwiches, selling bed sheets and making schoolboys' clothes (it was not clear whether these were for sale). In addition she helped her husband to grow vegetables for sale. She had taken out loans firstly to buy seeds, and secondly to buy bed sheets, and all had been sold without her re-investing further in this line.

7.5 Conclusions

As in the Ethiopia and Peru studies, the women on the Port Sudan programme were engaged in economic activity as an extension of their domestic role, in this case mostly tailoring or retailing. However, their business opportunities were much more severely limited by social and religious convention than in the other two cases. The very narrow range of economic options available to them meant inevitably that they were operating in competition with each other in a very small and saturated market. The market itself was uncertain and subject to high inflation and seasonal fluctuations.

This case study showed little evidence of a change of attitude by male members of the household towards women's economic production despite the fact that many of them relied on the woman's income. Even where there was the opportunity for the woman to increase her income, the men appeared unwilling to alter what they saw as conventional roles for women in Sudanese society. This finding goes against the accepted wisdom that women's economic contribution leads to enhanced status and greater household decision-making. In the circumstances studied here, the women appeared to be so constrained by traditional perceptions of their role, their limited access to information and their lack of mobility that they were unable to reach a point in their economic contribution to the household where the husband might see it as an indispensable and sustainable income, or appreciate it sufficiently to change his attitude. The women themselves appeared largely accepting of the constraints on their lives. In such circumstances, a strong, well-directed and confidence-building training input would appear crucial if the women are ever to move into genuine entrepreneurship. This was lacking.

Chapter 8: Findings

The main findings are presented here within the framework of the three research questions detailed in chapter 1: firstly the impact of the training on the women's social and economic status, secondly the nature of the training process, and thirdly the link between training and credit.

It should be noted that we have taken a broad definition of training to include both formal and informal modes. In the latter category, we have included individual business or technical advice, and, in the case of the Indian project, meetings with NGO staff and 'escort services'.

It should also be remembered that the samples of women involved were very small, and the findings can only be taken as indicative of trends and outcomes that may be observed elsewhere. At the same time, we are aware that these groups of women, living very far apart in Africa, Asia and Latin America, operated within a similar set of gender constraints that varied in strength and substance according to the prevailing social, economic and cultural conditions in their respective countries. For example, the Indian and Sudanese women had less power in the household than did the Ethiopian women, where the traditional division of labour between men and women allowed them greater control over their own economic affairs (and where more women in the sample were single heads of household). The Indian women, despite having the least power, appeared to have the greatest responsibility to provide for the household. Nevertheless, as women, they all faced the same type of disadvantage.

8.1 Impact of training on women's economic and social status (research question 1)

In a significant number of cases, training had a positive - albeit varying - impact on the nature and scale of the women's economic activity and their income, and in turn on their social and household status. This impact was greatest in both economic and social respects on the Ethiopian and the Indian projects, where the training appeared to be well conceived and targeted, and effectively delivered (although it had serious negative effects in the Indian case, which highlight the risks of seeking to introduce radical change to the lives of vulnerable groups). A common feature of these training programmes was that they included confidence-building and gender analysis components. A positive impact also applied to the Sudan and Peru informal training (business and technical advice) although the evidence was less clear cut as provision was very limited (in Sudan as a result of cost-cutting, in Peru because it was only provided on request). On these two projects, in contrast, the formal technical training component appeared to be less accurately targeted and/or less effectively delivered; it also did not include a confidence-building or gender analysis component.

On the Ethiopian and Indian projects it was clear that the impact of training was quite separate from any that might be attributed to credit. In the Ethiopian case, the **training** and not the credit was clearly the catalyst, because all the Group 1 women had been in receipt of credit prior to the training, some for as much as seven months. Eight of the ten women had also been engaged in the same economic activity for a considerable period of time (ten years in one case, several years in most of the others), yet the training provided the stimulus to three of them to move into new areas of activity and another three to modify their existing activities in such a way as to enhance their incomes within a short period of time. Clearly, it was what they had learnt during the three days of training that led them to move in a new direction, in some cases reasonably successfully. At the same time, however, they would not have been able to set up or expand their businesses without access to credit.

In the Indian case, **credit** was clearly the catalyst but the training provided them with essential business and marketing skills to function as entrepreneurs, as well as the confidence to enter the public arena of the silk market. On the Peru and Sudan projects, it was more difficult to isolate the impact of the training from the credit, largely because of limited data. However, in the Sudan case, credit was clearly crucial to the women's survival.

The most important outcomes of the training in terms of income and status are detailed below.

8.1.1 Impact of training on income

Some increase in income, albeit small, was experienced after the training on all four projects (see **Appendix 4**). Taking the Group 1 women only, this was most striking on the Ethiopia project, where seven out of ten women showed an increase, of whom three a significant increase, during the first two to three months immediately after the training. It was also significant on the Indian project, where all nine women showed an increase in the first few months when they first pooled their silk for sale; however, when the loan repayment and interest were taken into account this increase was marginal. On the Sudan project, although six of the eight women who were currently engaged in productive activities at the time showed an increase in the early months after the training (and the other two a marginal increase), it was difficult to assess the extent to which the increase was attributable to the training (initial business advice) or to the credit, or whether it merely coincided with a flourishing market during the festival period. The fact that incomes fell back after the festival period suggests the latter to be the case.[29] In the Peru case also, the findings were complicated for those trained in food processing by the dampening effect of *el Niño*.

Evidence that the application of skills acquired during the training contributed to this increase was provided by the Ethiopian and the Indian studies in particular. In the Ethiopian case, all but one woman in the combined sample of 20 women had been in receipt of credit prior to the training, in some cases for as long as seven months. However, it was only after the training, during which they had acquired new business skills and increased self-confidence, that the majority initiated new or improved business activities, leading to income gains. Most of the women acknowledged that the skill of market research had been of great help to them, as had also business planning, sales forecasting and customer attraction. Concrete evidence was provided of how these women had used these skills for gain.

In the Indian case, the increase in income was linked to the creation of the women's reeling units, in which they became independent entrepreneurs. However, they could not have fulfilled their new role without an understanding of a range of marketing processes such as bidding in the cocoon market, assessing the importance of quality, and determining prices, which they acquired from the training. And, in a society where women's roles and aspirations are severely constrained (in this instance by caste as well as caste), the training gave them the confidence and motivation to move freely around the village, mix with men in public places and bid against them in the market – although they never felt at ease in this new role. In Sudan, the findings were less clear; however, some women claimed to have learnt to assess market demand, a skill that they acquired when receiving the initial business advice at the time of making a request for a loan. Those women who had followed earlier courses or were receiving formal training as members of loan advice committees also claimed to have learnt and to be using some book-keeping and marketing skills. In Peru, the two women (one in each group) who regularly made concentrated fruit juice for sale after following the training experienced an increase in income from applying the new technology acquired, although this was only significant in the case of the Group 2 woman.

These increases, however, were not sustained over time in many cases, as is shown in **Appendix 4.** In the Group 1 sample, only two women in Ethiopia, two in Peru (of the four who took up activities related to the training), and two in Sudan (of a sample of four) were able to sustain income increases (necessary if they are to move out of poverty) over the whole field work period. In the Indian case, all the women's incomes dropped dramatically after initial increases but began to climb again at the end of the field work. In the Group 2 sample, data were few but over the longer time period provided by this sample, the same trend could be observed, with small gains being sustained in Ethiopia (three women), India (three women) and Peru (one woman).

This lack of sustainable increase and in some cases decline in income was due mainly to external circumstances which the individual women had not learned to handle. In the Ethiopian case, the fall in income was due in part to seasonal fluctuations in the food market

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[29] It was only in the case of one woman (Sadia) that there was a clear link between the training (in sewing) and income, as she started making and selling clothes with the skills she had acquired during the final stage of the field work.

(the field work fell across a high-spending festival period followed by a quiet period), in part due to the continuing downturn in the Ethiopian economy and subsequent high inflation, and in part to saturated markets (most women were active in areas directly associated with their domestic roles, e.g. in food processing and retailing). In the Sudanese case, at least four women saw their incomes increase at the time of *Ramadan* when markets were buoyant and then fall when sales slowed down. In the Indian case, the women's incomes were influenced by the seasonal nature of the silk reeling industry, which can only ensure good prices for raw silk for six months in the year and by the volatile nature of the market, with prices of both cocoons and raw silk fluctuating considerably. Drought also had a major impact on profitability, and in the case of these women gender and caste barriers made it extremely difficult for them to operate effectively as entrepreneurs. In Peru, economic downturn and high inflation, in part the result of *el Niño*, also had an impact.

At the same time, there was evidence that certain shortcomings in the training itself contributed to the fall in income. In Ethiopia, insufficient understanding and application of the new knowledge and skills acquired meant that over time they were forgotten e.g. keeping a profit and loss account. Some follow-up by the training provider to reinforce the skills acquired during the training might well have prevented this from occurring – and indeed in the case of the Group 1 women, the regular visits from the researcher, in which she asked them specific questions about the skills they were using, reminded them of the training they had received and inadvertently acted as reinforcement. In contrast, while the Group 2 women had been enthusiastic at the time of the researcher's first visit (six months after the training), six of them admitted to having forgotten almost all they had learnt by the time of the second visit nine months later.

In the Indian case, there was also insufficient understanding and application of the new knowledge and skills acquired. In particular, the training had failed to make the women adequately understand the serious level of debt that they were incurring, which was itself the result of limited understanding of how the silk industry operated and of the marketing process in particular. For example, they had understood the importance of buying high quality cocoons but not of getting them at the cheapest price. Moreover, the arrangement with the local NGO whereby the women took it in turns to collect the loan daily on behalf of the group for the bulk purchase of cocoons and to keep back a small amount (100 rupees) to buy fuel once the silk was sold led them to see this element as a wage - and the NGO as their employer. This helped generate in them the belief that the loan would not have to be repaid, or at least not in its entirety.

In Sudan, the lack of a business dimension to the technical training (sewing and handicrafts) and in Peru, the poorly delivered training with insufficient practical work for trainees and poor identification of suitable trainees contributed to the lack of impact. In the latter case, it appeared that the informal follow-up (technical assistance) was more useful to the women (and the men) than the formal component.

All of these problems could have been addressed by the training to a greater or lesser degree, either at the design or the delivery stage.

8.1.2 Impact of training on access and control of resources

There was no direct impact of the training on the women's access and control of resources, except insofar as the training was tied to the provision of micro-credit. Indeed, such a link was not anticipated. There was however an impact of increased income on access and control of resources **(see 8.1.5 below)**.

8.1.3 Impact of training on status

Mere participation in the training was in itself an empowering and liberating experience for many of the women, where it was effectively targeted and delivered. This finding appears to contradict the widely held belief that training given in formal group settings is inappropriate for poor illiterate women (see **8.1.5** below). In India and Ethiopia, some of the women were of the opinion that their community status was also enhanced by participation in the training. In Ethiopia, the ACORD training was referred to as the 'big training' and was much sought after. Women did not want to attend 'mini-training' alternatives. In India, several women referred to their enhanced status in the community; in particular, the first group of women to be trained considered that they had been hand-picked for the training programme so that they could act as role models for others in the village. However, there was no particular evidence of this in Peru and Sudan.

The strongest impact of the training on status was in terms of self-esteem, especially for women who had never attended school or any form of training. Many expressed a sense of pride at acquiring new skills and of having been selected for training. This self-esteem appeared to be greatest where the training included either a confidence-building component directly related to women's circumstances or led to a heightened awareness of what it meant to be an 'entrepreneur', as in the Ethiopian and Indian cases. In Ethiopia, several women commented on being made aware of what a business was about (one woman had been hankering after an office job until she realised, from doing some basic calculations, that she was actually earning more from her casual economic activity than she would earn in an office job). Two women talked of their pride at taking part in a training course in a modern government building. In India, when the women were asked about changes to their lives as a result of participating in the project, they cited: pride at being an entrepreneur, at being entrusted with large sums of money for the first time in their lives, increased confidence and boldness (talking to men, moving about in public spaces with men, as at the cocoon market and the Silk Exchange), increased mobility, security, motivation and aspirations (they could see a way out of poverty), increased respect from others, ability to communicate, to think like a business woman, and being 'no longer handicapped as a woman'. While these comments make it difficult to separate out the impact on self-esteem of the training from that generated by the actual creation of the micro-enterprise, it is very unlikely that the women would have been ready to travel to the cocoon market and the Silk Exchange and become actors in a public space dominated by men, if they had not had the empowering experience of the training. Much of the formal training component, as shown in chapter 5, was targeted at increasing the women's self-confidence and self-esteem.

In Sudan and Peru, there was some evidence, from the trainers more than from the women, that the informal training (business advice in the former, technical advice in the latter) also increased self-confidence because it addressed the individual's needs in their place of business. However, the impact was not as strong as on the formal training, in particular because the confidence building and group solidarity effect is lacking in a one-to-one situation.

Interestingly, three of the women in the Indian Group 1 sample did not receive the initial formal (curtailed) training, although they set up their reeling units at the same time as the other women and took part in all the informal training and the later two-day refresher course. However, as a result of their non-participation in the formal training, they were looked down upon by the others in the group and subjected to scornful comments about their 'untrained' status. This would appear to be another indication that participation in training, in contexts where access to it is strictly rationed, can of itself lead to enhanced status. However, as noted, it also raises the question of how important it is to train all members of a group (see **8.1.5** below).

Increased status in the home on the basis of mere attendance of a training course was less certain, although there was evidence of this with one woman on the Peru project who enrolled on a new course and reported that her husband respected her for her desire to learn.

8.1.4 Impact of training on quality of life

The training did not in itself lead to improved quality of life, rather this would come from the increased income and status generated by the micro-enterprise. In fact, in many cases increased income led to a deterioration in the quality of life, insofar as the women worked longer hours, were away for longer from their children, and in some cases experienced additional tensions from family members because they could not attend to household matters as they did before. There were very few cases of women making conscious decisions to reduce their business activity so as to ensure their own and their family's well-being. Those who did were: two women in the Ethiopian sample (one who stopped making breakfasts, the other who employed two women to help her), one Group 1 woman in the Indian sample (the co-wife who dropped out) and one in Peru – she decided she wanted to have time to attend another course.

8.1.5 Indirect benefits of training

There were a number of less obvious and less easily measured benefits of the training, which nevertheless are important considerations in the context of women's empowerment and poverty alleviation. In particular, it would appear that appropriate training, when combined with the business experience itself, develops enhanced survival strategies in women. Even where net income gains to the women are small in the short term, if they are better able to survive crises by being flexible and responsive to new market demands (e.g. by conducting market surveys), this will contribute to poverty alleviation in the longer term. This is especially important for those working in uncertain and competitive markets characterised by high inflation, seasonal demand and product saturation. While this finding would no doubt also apply to men, it is particularly important for women, who work at the least profitable end of the informal sector and in less permanent activities.

The research also found that effective training in business skills develops a more positive attitude in women towards their productive work and towards themselves, which credit alone may not be able to do. Many of the women began to see themselves as businesswomen and to take pride in this, even when their business was very small. This applied particularly to the Ethiopia and India projects, and to the informal business advice provided on the Sudan project.

Such training, especially in a group setting, also offers women the opportunity to reflect on and re-assess their lives and their activities, which can encourage an entrepreneurial attitude. This reflection is something they do not usually have time for in their busy lives and is a gain in its own right, allowing them the space to focus on their productive work and to think of ways of improving it. Moreover, formal group training affords women the opportunity to share experiences, concerns, ideas and information, which can promote individual and group self-awareness as well as new ideas for businesses. This is also a gain for poor women, who are often isolated, not mobile and do not have access to information networks as men do. Less directly, training aimed at empowering women economically may lead to a wider empowerment in terms of community mobilisation and group solidarity. India provided a notable example, when the women mobilised in support of a woman wrongly accused of theft by a higher caste man.

Finally, training can have a multiplier or 'spin-off' effect in that those who have been trained can pass on skills to others who have not undergone training and influence their attitudes and behaviour. This was the case in the India study, where three of the ten women in Group 1 (and one in Group 2) did not receive the initial formal training yet were infected by the increased self-confidence of the others and picked up their marketing skills. This is the 'cascade' model of training, in which those already trained act as 'trainers' for others.

8.1.6 The relationship between the four indicators (income, access/control of resources, status and quality of life)

By examining the relationship between the four indicators, it was possible to assess the extent to which the increase in income rather than the training itself led to increased access and control of resources, increased status and improved quality of life for the women covered by the study. At the same time, it was important to know whether increased income led to improvements in the other indicators; an increase in income without subsequent increases along the other dimensions would indicate that the women were little more than unpaid labourers in the household, as male relatives would continue to control their income.

We had anticipated that as a woman's income increased so would her control over that income and the resources required for her work and this in turn would lead to an increase in status, both in the home and the wider community. This 'virtual spiral' of empowerment (Mayoux 1999) is widely believed and is used to justify a wide range of interventions with low-income women, especially in micro-finance. However, an examination of changes according to the four indicators did not reveal a clear cut linear relationship. Moreover, the relationship between the indicator of income and the others varied in strength, with the strongest link being between income and self-esteem, and the weakest between income and status in the household. These are examined below. However, it should be remembered that the numbers involved are very small, as were income gains in most cases (which might explain in part the limited impact of income on the other indicators).[30]

Income and access/control of resources

As income increased, there was no particular increase in access and control of the resources used in the woman's business, largely because the woman already controlled them. In most cases the woman's income was so low that male members of the household did not seek to take it from her. They also did not perceive of her work as a 'business', or else they saw it as a traditional female activity, and therefore they were not interested in it. The Indian group and one woman in the Ethiopian sample provided exceptions in this respect (see below).

Inversely, where the resources used in the woman's business were already controlled by the husband, an improvement in income did not appear to lead to an increase in her access and control of resources nor did it afford her greater freedom of movement. This was the case with two women in the Sudan sample, whose husbands would not allow them to work outside the home despite increasing their incomes, and one in Peru, where the father stopped letting his daughter make cakes independently in the family bakery despite her making a good profit.

Where the men did see the women's activities as a business, however, they tended to want to control it, and so any change in access and control of resources was in a negative direction. This was clearly the case in India, where reeling entrepreneurs are almost always men and the NGO initiative was breaking with that tradition. The men's resentment at not being in charge of the business activities associated with the reeling unit led to household conflict and finally, at the women's insistence, to the NGO agreeing to the men's involvement in both the buying of cocoons and the selling of silk. By the end of the research period, the women only remained responsible for accessing the loan.[31]

Likewise, in the one case in the total Group 1 sample of 40 women (the four countries combined) where the woman's income increased significantly to the point where it became a 'serious' business, the husband gradually took control. This was in Ethiopia, where the profit from Hiwot's canteen increased tenfold from approximately £16 month to £160 per month at one stage (and then fell back to roughly fivefold). In her case, she experienced a **decline** in access and control of resources and with it a decline in household status, as the husband began to see it as **his** success. It was also the case of Hilda in the Peru sample, who said that her father was jealous of her success in making cakes, and refused to let her continue independently and ceased to consult her about the bakery. These examples support existing evidence that the risk of men taking over control of income and resources rises as a woman's income increases. At the same time, in Peru one Group 1 woman (Eulalia, who did not make use of the fruit processing technology learned) also increased her income tenfold and her husband started working with her; however, in the short time that this was an expanding business, he showed no sign of wishing to take it over and seemed happy to accept her advice. Likewise, in Group 2 Eduviges developed a new and expanding business after having received training (significantly without having ever taken out a loan) but her husband did not try to control it. Rather he started to help her.

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[30] While we have considered the link between training and increased income in the first instance and then between training and the other indicators, it is possible that the link could be in the opposite direction, i.e. that training could lead to increased status and/or increased access and control of resources **before** it results in increased income.

[31] The final round of interviews suggested that both the men and the women would not object of the NGO dropped its stipulation that it would give the loan only to the woman. The researcher was of the opinion that this last form of control by the woman would soon be dropped and they would then be entrepreneurs only in name, having reverted to being unpaid household labourers in reeling units controlled by men. In terms of women's economic empowerment the project had largely failed.

In the light of the above, it was interesting to find evidence, from Ethiopia in particular, that those women who had no male adults in the household seemed to be more successful than those with male heads.[32]

Income and status

The clearest link was between increased income and increased self-esteem, followed by increased community status. As a number of women began to be perceived as successful by the community, they were invited to take up leadership positions on local committees (four in Ethiopia, two in Peru and four in Sudan). Evidence of increased status in the home was also present but it was less clear as to whether it had led to any significant change in gender relations, in particular in increased decision-making and mobility. The greatest change was probably witnessed in the Ethiopian sample, where gender relations were less rigidly constrained than in India or Sudan.

However, whatever evidence there was of change in the woman's status in the home, it was not necessarily permanent. Any increased respect from male relatives appeared to be more a product of male recognition of the woman's increased contribution to the household than of any intrinsic change of attitude on the part of the man. As it was influenced by external factors (income), it was subject to change. Hence male respect for the woman could decline, and violence and/or verbal abuse increase, if the woman's income fell. This was particularly clear in the Indian case. As the researcher reported, when times were good, the husband would claim credit ('I trained her'); when they turned sour, he would heap abuse on her (in one case terrorise her by plunging her head in a water tank). Male respect might also decline if the man saw the woman's economic success as a threat to his own self-esteem and status (this might have been one factor in Hiwot's husband taking control of her thriving canteen business). In Peru, husbands were more appreciative of their wives' efforts when they were unemployed; there was no evidence, except perhaps in Eulalia's case, that this would not change once the men got jobs again. In contrast, in Ethiopia, Etsehiwot worked in co-operation with her brothers, helping them with the garage accounts while they reciprocated by encouraging their clients to buy food and drinks from her shop.

Likewise, to the woman, any perceived increase in her status in the household was closely associated with the increased contribution she was making. Many women spoke with pride of the fact that they were meeting all household expenses and with shame when they had to ask their husbands or other relatives for money. Hence her own self-respect might stem more from this than from any intrinsic belief in her own worth.

Where an expansion of the woman's business activities meant that she was providing employment for the man, this improved gender relations in the household and reduced violence where it existed. In Peru, Eulalia's success with her kebab stall improved her relations with her husband considerably, as he saw himself as entering into business with her and no longer as a casual employee elsewhere. In Ethiopia four men started helping their wives with their productive work (but not with domestic work) and in India, relations were better whenever the man was contributing to the reeling work. However, the men did not see themselves as employees, rather that this was a family enterprise. The wife might not see it as her success but would keep her views to herself.

As income increased, there was little sign of male members of the household taking a greater share of domestic duties. There was one exception documented in Ethiopia (Meriem's husband started looking after the children and the house on the days when she went to the nearby town). In Peru, four men started helping in the house, washing their own clothes and sometimes cleaning or cooking (the latter if there was nobody there to do it for them). However, they were all unemployed and it was not at all sure that they would continue once they obtained jobs again. In contrast, in all four countries female members of the household (sisters and daughters) invariably found that they were taking on a greater share of the domestic duties – and often complained about it. In some cases, tensions also rose with the men if the woman was spending too much time on her economic activities for their comfort.

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[32] In a study of a BRAC programme to promote female restaurateurs in Bangladesh (Khan 1995), it was also found that the women who were divorced or separated were more entrepreneurial than those who were married; for the latter, their husbands controlled the business in the same way as the husbands came to control the silk reeling enterprise in the Indian case study. The study found that there was no change in the women's status in the home or the community arising from the programme.

The above findings suggest that the most complex area of gender subordination continues to be at the **household** level. Our understanding of this issue is impeded by the fact that many subtle forces, both internal to the household and external, come to bear on the situation e.g. the woman's bargaining position in the household and the community's perception of a woman's value (Sen 1990, Kabeer 1995). At the same time, however, it would not be reasonable to expect significant change in gender relations to occur during such a short period of field work.

Income and quality of life

On the whole, increased income did not lead to increased quality of life for the women (except in so far as it led to better household nutrition). Even where there were improvements according to all three indicators of income, access/control of resources and status, this was usually at the expense of an increased working day, given women's multiple roles. In some cases this had a detrimental effect on their lives. In Ethiopia, two women made conscious decisions to forego some additional income so as to reduce what was an intolerably long working day. In India, when, in the later stages of the field work, the women were able to hand over the tasks of buying and selling to their male relatives, they were relieved, because it reduced their considerable daily workload as well as tension in the household. And in Peru, the one Group 2 woman who successfully used the technology she had received (Eduviges) was thinking of employing a maid to do the housework; she and her sisters also did their productive work in shifts so that they could be with their children when they were not in school.

We have therefore concluded that training, especially in business skills with its wider application than technical skills, did have a positive impact on the women's economic activities and incomes in a considerable number of cases, and in some helped them to develop genuine micro-enterprises. However, impact of training, whether directly or indirectly, on other aspects of their businesses and lives, namely access and control of resources, status, and quality of life, was not clear cut. Not only did the impact vary in strength but it could be negative as well as positive. The link between training and micro-enterprise development exists, therefore, but its exact nature is complex.

8.2 Effective training for women's micro-enterprise development (research question 2)

The above findings have shown that training for women's micro-enterprise development can raise women's economic and social status. This study found that the most effective training was provided by the Ethiopia and India studies, and to a lesser extent by the Peru and Sudan informal training components (although data on these were limited). This was both in terms of numbers of women who implemented positive changes to their economic practices as a result of the training and in terms of the potential for increased productivity and increased income as a result of these changes. The impact of formal training in Peru and Sudan was less on both of the above counts because it was not well targeted and delivered.

These findings are drawn from a very limited number of training programmes, in particular with respect to technical training (very small numbers in Peru and Sudan). The dangers associated with producing lists of 'effectiveness' indicators divorced from context also have to be taken on board. Nevertheless, the findings from these four case studies suggest that:

8.2.1 Training in business skills is likely to be effective if it

- teaches generic skills such as bookkeeping or market research in 'real' contexts. In Ethiopia this was simulated on the training premises with women buying and selling products among themselves; in India the women were taken on exposure trips to markets, and an NGO worker accompanied them to offer advice when they carried out their own transactions

- increases understanding of the characteristics and dynamics of markets, while also developing awareness that market activity impacts upon men and women differently

- increases understanding of the nature of credit, where applicable (in India, the implications of heavy debt on their business had not been adequately demonstrated to the women)

- creates positive attitudes towards business (as opposed to salaried employment) and helps women to see their productive work as a 'business' that can be developed; it motivates them to succeed

- encourages women to be flexible and responsive to market conditions, to seek out new customers and markets (most women work in similar areas of activity as an extension of their domestic work which results in saturated and unprofitable markets) and to grasp opportunities as they arise - hence familiarising women with the notion of 'calculated risk'[33]

- recognises and builds on women's existing experiences in the marketplace, as was the case with the Ethiopian training, and with the informal advice in Sudan and Peru (because it addressed the requirements of the specific business engaged in, or proposed, by the individual); business skills are more readily acquired from training if trainees have prior experience to draw on[34]

- teaches the principles of bookkeeping, even to those who are not numerate on paper. While many of the women showed a great capacity for mental calculations and some an astute business sense, they remain relatively powerless in the world of business if they have no written records (as exemplified by the India study); getting someone else to write figures down may be better than having no written record at all.

8.2.2 Training in technical skills is likely to be effective if it

- takes the women's needs, as identified by them, as a starting point rather than someone else's assessment of what is a feasible area of activity or a potential area for technology transfer. In Peru, the fruit processing technology being transferred was inappropriate for poor women because an initial investment in equipment, chemicals and a licence needed to be made; also, the type of special bread being taught did not have a market in the area where the training was given. Poor women need skills which they can apply easily to profitable activities.

- develops technical skills within a meaningful economic context, i.e. it contains a business dimension. Technical training alone (as with the sewing course in Sudan) does not show women how they can use newly acquired skills to generate an income.

- teaches broad-based skills which can be modified if necessary to meet unexpected changes in market conditions (e.g. the arrival of *el Niño* in Peru made fruit processing unprofitable because of the high price of fruit) or regional market demands (as with the specialist bread making referred to above). Or, it teaches alternative skills so that when the market is not viable for one product, the women can turn their hand at another (e.g. in India, the women wanted training in other skills such as *beedi* rolling so that they could make a living when silk reeling was unprofitable).

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[33] There was evidence from the Peru data that some of the women who had followed the fruit processing course were able to apply some of the skills, especially those related to business, to other areas of activity. Some of these women showed considerable business acumen but had not found the technical training useful.

[34] In India, the task was greater because the women had no business experience.

- is applied to real tasks, e.g. in Peru some of the training in bread making took place in a bakery; in Sudan the women sewed or handmade their own articles during training; in India, the Group 2 women received advice on assessing the quality of cocoons from the male escort as they were dealing in the market.

8.2.3 General characteristics applicable to both types of training

Training will be most effective if it is addresses the following:

a. Delivery of training

- it is complemented by some form of 'follow-up' e.g. workplace visits, refresher courses, regular meetings. When faced with many difficulties and a heavy workload, it is easy to become disheartened and give up. People also forget what they have learnt unless they are practising and reinforcing it continuously. In Ethiopia the first group to be trained had forgotten most of what they had learnt by the end of the research period[35]; in Sudan three women who had received some business advice clearly wanted more (two considered that they had learnt more from direct experience in the market than from training); in Peru the 'technical assistance' was judged by two women as more useful than the formal training but was only available on request

- it is effectively delivered, with sufficient time and resources allocated (e.g. on the Sudan sewing course there were only two sewing machines in one training centre for up to 75 participants); allows for adequate hands-on participation by those attending so that they can experiment with and improve newly acquired skills and practices

- it treats them as sources of valid knowledge and active participants in the learning process rather than as ignorant and passive recipients of knowledge; the Ethiopian training showed that this was possible even in a conventional teaching context

- it is of a significant scale to have an impact: on the Peru programme the business component of the course was covered in two hours (although the project document specified a larger component), in Sudan access to on-going business advice was very limited, as was technical assistance in Peru. The full 28 days of initial training in India would probably be a luxury on most projects but the three day course in Ethiopia showed that much can be achieved in a short period.

b. Gender analysis

- it distinguishes between women and men's social and economic circumstances (the Peru programme assumed that women had the same level of capital available to them as men, whereas the male sample showed that men's businesses tend to be larger, more stable and more structured than women's); home or workplace visits (as with the Sudan and Peru informal training) are appropriate as they respond to the demands of women's working day[36]

- it provides an analysis of the gender relations which make it so difficult for women to engage in independent economic work; only the Ethiopian and Indian programmes did this, the former in a short half-day component called 'women in trade', the latter as part of its formal training in a component entitled 'motivation, awareness, confidence' where it addressed issues of self-perception, gender roles and male support for the project[37].

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[35] The researcher's regular visits to the Group 1 women served indirectly as follow-up as they reminded the women of what they had learned during the course and encouraged them to apply the skills.

[36] However, the intensive mode of the Ethiopian course (7 hours per day) did not appear to deter the women, perhaps because it was only for three days.

[37] The Group 1 women's curtailed programme did not cover this adequately.

There was a small element also in the management component of the Peru course.

- it explicitly addresses these gender relations so that men facilitate rather than undermine women's economic activities (this requires assessing the needs of both men and women). The Indian project failed largely to empower the women because it placed them in a conflict situation with their husbands over control of the enterprise; in Ethiopia, the one highly successful woman found her business being taken out of her hands. A woman's increase in income may lead to the male relative withdrawing his own contribution to the household (one woman in Peru said her husband wanted to contribute less because she was earning more). Women need to learn how to handle such situations.

- it provides a confidence-building dimension, whether at the individual or group level, which encourages women to change their attitudes towards themselves and their economic activities and to seek to turn the latter into real businesses; it also teaches them the importance of time management given their multiple roles.

b. Needs analysis

- it builds on women's needs as identified by them, so that it provides a realistic entry point – for poor women in particular it must not create too big a gap between what they now know and do and what they need to know and do (in India, the jump from powerless labourer to reeling entrepreneur placed too great a demand on the women in the short term; in Peru, the fruit bottling procedures involving chemicals and sterilisation were too complicated for the women to grasp from a few hours of training)

- at the same time, it encourages women to enter new areas of activity beyond those which are an extension of their household activities, as these are likely to be labour-intensive, to be carried out in highly competitive or saturated markets and to generate low profits. Training courses that help women develop strategies to enter new, male-dominated areas should provide regular support and follow-up to help them survive the initial difficult period.
- it assesses the level of risk for women, especially where it is aimed at bringing about radical attitude and behaviour change in vulnerable groups (as in India) and is prepared to provide adequate and on-going support where necessary – such a 'process' oriented form of training is highly complex and unpredictable as to where it might lead.

In terms of analysing the different types of training covered by the study, in addition to the technical/ business dimension, there were also the formal/informal and the mixed/women's only dimensions (as illustrated in **Appendix 1**). The research, in particular the interviews with trainers and observations of training sessions, would suggest that in each case there are strengths to each type of training, just as there are for individual versus group-based forms of support.

As for the relative advantages of **business** and **technical** training, in the Ethiopian case, training solely in business skills would appear justified because the majority of the women were involved in retailing. On the other hand, in Peru and Sudan (some) women were acquiring new skills and technologies designed to help them move into new areas of activity and therefore the emphasis on technical training would appear justified. What can be concluded, however, is that technical training is insufficient – there needs to be an accompanying business component if women are to use these skills to generate an income.

Formal training was valued because it can be well planned in advance, can reach large numbers of people and is therefore more cost-effective. It also allows for the exchange of ideas, information etc, as well as group confidence-building activities, all of which are important for women. **Informal** training, on the other hand, allowed for specific problems to be dealt with on the spot (important for women who may not be very mobile and have limited time) and solutions to be worked out. It also provides support and advice as and when required, and in so doing builds up the woman's confidence in her business capabilities. Again, a mixture of formal and informal training, as in the Indian case, may be appropriate in many circumstances.

As for **mixed** training as opposed to **women-only** training, the findings would appear to suggest that mixed training does not place women at a disadvantage as long as the programme seeks to target them specifically and to ensure that they are not marginalised in the training process by more articulate and confident men. The consensus of those involved in mixed training was that it was better for women as in the real world they had to deal with men as competitors, suppliers and customers. Participating in training courses alongside men can be empowering for women. Women-only training, however, allows women space to express themselves freely, which they may not feel able to do in the presence of men.

8.3 Interaction between training and credit (research question 3)

As credit was the only other significant input provided on these projects, findings were only available in respect of the link between it and training. It should be stressed that the purpose of this study was not to undermine the role played by micro-credit in assisting poor women. Rather it was to provide evidence that well-designed and well-targeted training can complement credit, thereby maximising potential benefits for women.

Appendix 5 provides a synopsis of the cases where credit had made a significant contribution to the business, in conjunction with training. This shows that in 49 cases out of a total of 57 who received both training and credit, there was evidence that credit contributed to the development of their micro-enterprises (through the purchase of equipment, raw materials, retail items etc) and that in the majority of cases (41), this was considerable. It is also significant, however, that one of the three most successful women in the study had not been in receipt of credit (Eduviges in Peru) and another (Eulalia, also in Peru) had not made use of the training she received, at least not its technical aspects. Only Hiwot successfully combined her training and her credit to increase her income dramatically. In the other cases, the increases were not large, and some were marginal.

Lack of capital is frequently cited as a major barrier to women developing their own enterprises, and indeed, in this study, many of the women cited this as their main problem. This view was supported by the trainers. From the evidence provided here, ***there is no doubt that, without access to credit, much of the training would have had little impact on income levels***. Crucial, however, is the finding that for most of the women in the Ethiopian study, and for those women in the Peru study who took up activities in the area for which training was given, it was ***training*** and not credit that was the catalyst for the development of economic activity. In the case of India and the informal training in Sudan (from limited data), even though ***credit*** was the catalyst, the women would not have entered (and did not enter) new areas of activity on the basis of credit alone as they lacked ideas, confidence, positive attitudes towards business and the skills to assess the market, develop business plans and keep records.

8.4 Conclusions and recommendations

This is a small study, the findings of which can only be viewed as indicative of what might be found elsewhere. Nevertheless, they reveal that in a considerable number of cases, training did increase the women's incomes and their social status. Even where the women were not able to sustain increased income levels, largely due to adverse economic conditions, there was evidence that the skills acquired in training reduced their vulnerability to crises. These skills will also help them to make better use of future credit. At the same time, however, some of the training had serious shortcomings. There are therefore lessons to be learned and scope for improvement in the way training is designed and delivered.

Poor women who are scraping a living to keep themselves and their families alive do not perceive of themselves as engaged in business. As the Ethiopian researcher wrote:

> *These people enter productive activities in a haphazard, unplanned way, for survival purposes. Usually these are activities where there is a lot of competition and little profit. Training can help them break this vicious circle of poverty.*

Poor women lead heavily constrained lives, often with very limited experience of the outside world and of the marketplace. In addition, those who cope every day with the consequences of poverty are likely to develop a fatalistic attitude as to what the future holds for them (this was particularly the case with the Indian women); access to credit alone will not necessarily lift them out of despair and give them self-confidence. Training on the other hand offers them an opportunity to broaden their vision, to deepen their understanding of the marketplace, acquire new skills and to learn from others as well as from their own reflections on experience. Women already have less access to education and training than men; if they are deprived of it through micro-enterprise/small business development programmes, they will be even less able to compete with men in both the formal and the informal sectors of the economy.

It is not possible to say how many of these women transformed their income generating activities into a business as a result of the training. A number of the Sudanese and Ethiopian women never got beyond eking out a living from selling retail items in small quantities as and when they could. Others had developed short and medium term plans, engaged systematically in market research and thought about how to attract more customers. In India, the women were transformed into entrepreneurs overnight by the NGO – but that alone did not ensure that they acted as such nor that they were running real enterprises. The Sudanese case was particularly striking in that the women appeared to be taking out one short-term loan after another just to raise capital to buy some goods for onward sale at a small profit. There was little indication that they were able to amass sufficient resources to start building up business capacity. On the contrary, the little profit they made seemed to be swallowed up by family obligations.

Many initiatives to support micro-enterprise development target men and women who can show that they have potential as successful entrepreneurs. These people are relatively easy to help and it is possible that all they need is indeed credit. However, they are unlikely to be the poorest members of society and, indeed, there is evidence that many micro-financing schemes are not reaching the most disadvantaged (Mayoux, 1999). If DFID is to achieve its goals of poverty alleviation, it has to provide programmes that target those who are the most difficult to help. They are likely to need considerable and continuing support. Training, whether through a one-off formal course, through on-going one-to-one business or technical advice, or a mix of training inputs, may be an appropriate form of support, especially in conjunction with micro-credit.

We were surprised to discover the extent to which the women in this study were responsible for the survival of the household. ***In numerous cases, women provided the only source of income, either because they were the head of household, or because the husband was unemployed; in a few cases the woman even provided employment for the husband. This makes the male orientation of so much of the training provided for those working in self-employment/the informal sector appear misplaced.*** Given this heavy burden on women to generate an income, it is all the more important that they have access to relevant skills as well as to micro-credit. Moreover, almost all the women without exception at the start of the study expressed a willingness or a desire to increase the amount of time and effort that they put into their productive work. The challenge for donors is how best to harness this energy and motivation.

The significance of the above findings for DFID, other official donors, governmental and non-governmental agencies involved in this area, and training providers lies in two sets of findings: firstly, the ways in which training can enhance women's productivity, income and status, especially in conjunction with credit and, secondly, the features associated with effective training in this context. Both can make a significant contribution to policies directed at the alleviation of poverty through micro-enterprise development as well as to practice. It is to be hoped therefore that the findings of this study will contribute to DFID's Skills for Development programme, and in particular will highlight the need to engage in a thorough gender analysis at every level of intervention.

The intention of this study has not been to argue for ***more*** training, nor that training should be given higher priority than credit or other inputs. Indeed, it was quite remarkable to discover that many of the women featured in the study had had access to a wide range of non-formal education and training opportunities. This was especially the case in Sudan and Peru. This would suggest that many small training programmes exist (or have done until the recent past) but it is likely that they have been poorly targeted and delivered, and many have not been offered alongside credit. The findings presented here suggest that ***what is required is training in conjunction with credit for the poorest women, and that it should be designed carefully for its target audience and well delivered by experienced and gender-sensitive trainers.***

8.4.1 Policy recommendations[38]

This study clearly shows that poor women benefit from training which develops skills and self-confidence that will allow them to work and to survive in the economic arena. For the poorest, credit is not enough. Therefore

1. Donors, training providers and other involved parties need to acknowledge that training which is appropriately designed and delivered can contribute to women's micro-enterprise development and in the longer term to poverty alleviation. Training provision should be built into programmes that start from a thorough analysis of the needs of the identified target group.

2. Donors and training providers need to work towards improving the quality of training to support women's micro-enterprise development. They need to acknowledge that some training is poorly designed, poorly targeted and badly delivered. The lack of thorough evaluation of training for women's micro-enterprise development has resulted in limited knowledge of what works and what does not. The tendency therefore has been for training to be dismissed as ineffective. Yet, this research shows that this is clearly not the case. Achieving the appropriate focus and level for the identified target group, selecting individuals for training who share a sufficiently homogenous set of needs and experiences, organising the training to facilitate practical learning and skills application, and finding competent trainers who are sensitive to the needs of poor women while not patronising them are all challenging tasks. They require greater effort than is currently afforded them.

3. In the light of the above, donors and governments should support more research into effective training in this context and the dissemination of examples of good training practice (all the programmes studied here had elements of good practice). Research should include longitudinal studies with a longer time span than the current one (8-9 months of field work), which follow women over a period of years, and comparative studies to measure the benefits of combined training and credit programmes against credit-only programmes. ***The Dire Dawa programme in Ethiopia, as it is currently structured, offers an excellent opportunity for such research to be carried out.***

4. Donors and training providers should recognise that, even if it is possible to identify key characteristics and examples of 'good practice', what constitutes effective training for any particular group will vary. It cannot be said that formal training is more effective than informal, that business skills are more important than technical skills, that women should or should not be trained alongside men, that a certain period of training is desirable etc. The correct mix of ingredients for any particular group can only be identified by means of a thorough needs analysis which takes the views of the women as the starting point (and those of their male relatives, so as to avoid conflict situations developing).

5. Training for micro-enterprise development needs to be ***strategic***. Firstly, providers need to engage in, and learn from, local/regional market and sub-sectoral analyses before designing programmes. Secondly, training needs to include a gender analysis component, which develops among women an awareness of the barriers that they face as women in operating in

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[38] Although data were gathered on the direct and indirect costs of the training being provided, they were incomplete and could not be broken down sufficiently to allow any cost-benefit analysis to be undertaken; nor was it possible to indicate the relative advantage in terms of costs of running one type of training over another.

the marketplace and helps them develop strategies to overcome these. Both require the involvement of individuals with relevant expertise. This has staffing and cost implications for agencies providing and/or funding training.

6. Donors and training providers need to fund and design interventions that go beyond a short one-off training exposure, as this is unlikely to lift women out of poverty into profitable activities and keep them there. This was one of the clearest messages of the study. ***All four case studies showed that lack of follow-up, or insufficient follow-up, diminished the impact of the initial training input.*** Experience from adult education and training programmes of all kinds suggests that adults need continuing inputs and support in their application of new knowledge and skills. It also suggests, as this study confirms, that the most effective learning comes from a combination of training and business experience; the latter cannot be acquired quickly.

7. Training methods need to ensure that women are treated as sources of valid knowledge and that their individual experiences are allowed to contribute to group learning. This can make an important contribution to the empowerment of women.

8. Interventions aimed at improving women's economic and social status also need to take male stakeholders' needs on board. If they impact upon men negatively, they will generate hostility, and if men feel threatened, they are likely to sabotage attempts to bring about change. Men also need to be given gender awareness training – otherwise, they will continue to oppose initiatives to empower women which they see as undermining their own status.

8. Donors and training providers need to have programmes evaluated independently, starting with the participants' experiences of what has been achieved. Without this, lessons will not be learned. At the same time, this evaluation needs to take account of the role of training within the goals of the whole project.

9. Donors and training providers need to ensure that the training of women becomes part of the mainstream discourse on technical and vocational education and training (TVET); by its silence on gender issues and its failure to engage in gender analysis, this discourse suggests that such programmes are for men only. Mixed-sex training and women-only training for informal sector activity need to be developed, funded and promoted as an integral part of TVET.

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APPENDIX 1

Types of training covered by the study and access to credit/savings

	ETHIOPIA	INDIA	PERU	SUDAN
Technical		(limited)	√	√
Business	√	√	√	√ (different target groups)
Formal	√	√	√	√
Informal		√	√	√ (different target groups)
Women only		√		√ (formal)
Mixed	√		√	√ (informal)
Access to credit	√	√	√	√
Access to savings scheme	√	√		√ (limited)

APPENDIX 2

Socio Economic Impact Matrix

Project Name:		**Interviewee name:**		**Date:**	
Training Received:		**Interviewer name:**		**Location of Interview, + no:**	

	Activities	Time	Resources	Skills	Economic Outputs	Social Impacts**
Women						
Men						
Household						

** Includes changes in culture and expenditure patterns

Questions to accompany the Socio Economic Impact Matrix

For the interviewee: What significant changes have there been since the last visit?

Do you see these as beneficial to yourself?

For the interviewer: What significant changes have you observed?

Do you see them as beneficial to the woman interviewed?

Please also detail any changes in external circumstances not already recorded which have impacted on women's activities.

Adapted from A Rani Parker (1993) *Another point of view: a manual on gender analysis training for grassroots workers,* UNIFEM

Socio Economic Impact Matrix

Project Name :	WMESR	Interviewee Name :	Code No. 05	Date :	25.07.1998
Training Received :	Orientation in May 1997	Interviewer Name :	Shashikala Sitaram	Location of Interview, +no.	Mangala Hosur Fourth Round

	ACTIVITIES	TIME	SKILLS	RESOURCES	ECONOMIC OUTPUTS	SOCIAL IMPACT
Woman	+ silk-reeling business + reels silk too. + stifles cocoons + divide cocoons too + more household work as daughter got married + the group activities continue.	+ about 8 hrs. of time engaged in productive work.	- skills of marketing have not been useful. + puts in skilled activity of reeling	+ reeling unit has become functional - yet to employ another person as turner.	+ increased income + computes wages + increased savings. + reduction in indebtedness. - owes money to the NGO	+ happy to move from being a wage earner to becoming a business women. + happy that others look at her as a businesswomen. + happy that she need not go to the market + handles money carefully - does not perceive any need to change the decision making power at the household level.
Man (Husband)	+ physical labour of reeling/turning. + stifles and skiens too - does not go to the market		+ skilled work of reeling, skiening, stifling, etc.	+ computed income (of a turner/reeler)	+ earns income	+ approves of the present way of money lending by the NGO + encourages her to answer questions. + is careful in handling the money lent to her by the NGO - Claims to have "trained" her
Household	+ son helps in livestock rearing and also acts as a turner at times. - daughter not employed			- spent Rs. 16,000/- celebrating daughter's marriage		+ daughter happy that her mother can answer queries and also move around boldly.

APPENDIX 4

Income change (since training in the first instance, then since previous visit)

income increase (+) income constant (0) income decrease (-)

	ETHIOPIA		INDIA		PERU		SUDAN	
Group 1	Working in ME	Income change	Working in ME	Income change	Working in ME	Income change	Working in ME	Income change
After 2/3 months	10	(+)7 (0)2 (-)1	9	(+)9*	10(4**)	(+)1 (0)2 (-)1	7	(+)6 (0)1
After 4/5 months	10	(+)5 (0)1 (-)4	9	(-)9	10(3**)	(+)3	8	(+)6 (0)1 (-)1
After 6/7 months	9	(+)2 (0)5 (-)2	9	(+)9*	10(4**)	(+)2 (-)2	9	(+)2 (0)1 (-)1 (no data on five)
Group 2								
1st visit	10	(+)5 (0)5	10	(+)5* (0)5	8(2**)	(+)2	7	(+)7
2nd visit	6	(+)3 (0)2 (-)1	8	(+)3* (0)4 -1	8(2**)	(+)1 (-)1	No data	No data

* marginal increase

** *only four women in Group 1 and two in Group 2 took up production using the technical skills provided during training, with one woman in Group 1 starting up only at the time of the final visit, while another woman dropped out; figures provided here are for these women only*

APPENDIX 5

Relationship between training, credit and increased income in the period immediately after training (4 months in the case of Group 1)

1		2	3	4
Training		Training + credit + ME activity	Increased income	Credit contribution
Ethiopia				
Group 1	10	10	7	4 significant/3 moderate
Group 2	10	10	7	5 significant/2 moderate
India				
Group 1	9	9 (3 without formal training)	9	9 significant
Group 2	10	10 (1 without formal training)	10	10 significant
Sudan				
Group 1	10	8	7	5 significant/2 moderate
Group 2	8	6	6	6 significant
Peru				
Group 1	10	3*	2*	2 moderate
Group 2	10	1	1	1 significant
Total	**78**	**57**	**49**	**41 significant** **8 moderate**

* two were family loans, not the woman's

Column 1 provides figures for the number of women trained and Column 2 those trained who also received credit and were engaged in micro-enterprise activities relevant to the training. Column 3 indicates how many of the women in Column 2 increased their incomes (in Group 1 within the first four months) and Column 4 the level of contribution made by the credit to this increase.

N.B. One woman in the Peru sample who made significant gains is excluded because she was not in receipt of credit.

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ISBN: 1 86192 284 1